Calendar No. 306

98TH CONGRESS
1st Session

SENATE

REPORT
No. 98-186

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1984

JULY 20 (legislative day, JULY 18), 1983.—Ordered to be printed

Mr. ABDNOR, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 1646]

The Committee on Appropriations reports the following bill (S. 1646) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1984, and for other purposes, and presents herewith information relative to the bill.

Amount of bill as reported by House	$11,987,584,000
Amount of decrease by Senate	−123,334,000
Amount of bill as reported to the Senate	11,864,250,000
Amount of estimate	11,576,298,000
The bill as reported to the Senate:	
Over the appropriations provided in 1983	+780,088,000
Over the estimates for 1984	+287,952,000
Under the House bill	−123,334,000

S183-15

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TIMING OF THE BILL

Traditionally, the Senate awaits House initiation and passage of appropriation bills before acting on them in Committee. This session, however, a combination of circumstances forced the Committee to begin its markup of a bill in advance of final House action. The House Committee did report a bill for consideration in that body, H.R. 3191. That legislation did not pass and the House Committee has not taken action to report another bill. The Committee felt impelled to begin its own markup before final House action was completed. Accordingly, overall House allowances in the report are based on H.R. 3191, as reported, not final allowances.

GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies.

The Committee considered budget estimates for fiscal year 1984 in the gross amount of $11,576,298,000 included in the President's amended budget request. Compared to that amount the accompanying bill recommends new budget authority totaling $11,864,250,000, which is $287,952,000 more than the amount requested by the administration.

REPROGRAMINGS

The departments and agencies funded by this act are directed to comply with the reprograming guidance printed below.

The guidance applies to those actions which represent a significant shift in program direction resulting in changes in the distribution of resources as presented to and approved by the Congress. Effective with the date of enactment of this bill the approval of the House and Senate Committees on Appropriations shall be required for any such action when the amount involved is in excess of $500,000, or 10 percent, whichever is greater, in any object class, budget activity, program line, or program activity. Lesser amounts will also require reprograming approval if it is clear that such an action would result in a major change contrary to the program presented to and approved by the Congress or if the cumulative effect of past reprograming actions and a specific new action under consideration would have the effect of exceeding the dollar limitation discussed above.

Requests for approval of reprogramings will be submitted to the Office of Management and Budget and the Appropriations Committees but no action shall be taken by the agency until the request has been approved by both the House and Senate Committees on Appropriations.

These instructions apply only to funds included in appropriations accounts and the Federal Buildings Fund. It excludes revolving funds since revolving fund programs are generally based on demands from external sources and changes to them do not represent a conscious change in program emphasis—the basic reason for requesting approval for reprograming.

The justifications for proposed reprograming actions need to be clear and as strongly supportive as the original budget request. Except in extraordinary circumstances reprograming proposals will not be accepted with less than 45 days left in the fiscal year nor will they be accepted for actions to reverse previous congressional actions.

TRANSFER OF FUNDS BETWEEN APPROPRIATION ACCOUNTS

The administration has requested limited authority for the Secretary of the Treasury and the Administrator of the General Services Administration to transfer funds between appropriation accounts. For the Secretary of the Treasury, 2 percent transfer authority is being requested, while the Administrator of GSA is requesting authority to transfer up to 3 percent between appropriation accounts.

The Committee has approved the request of the Department that they be granted authority to transfer up to 2 percent between appropriations accounts, but only upon prior approval of the respective Committees on Appropriations. The Committee has recommended that the Administrator of the General Services Administration be allowed to transfer up to 1 percent between appropriation accounts during fiscal year 1984, but, again, only in emergency situations when the need for such transfer is unforeseen and absolutely critical to the mission supported by the affected appropriation account, and only after the Administrator has received the express approval of both the House and Senate Committees on Appropriations.

The Committee is concerned that in the past even such limited transfer authority has been abused and often used by the agencies for reorganizations that have major policy implications. Such transfers are interpreted by the Committee as circumventing the appropriations process and will not be tolerated in the future. Nevertheless, the Committee acknowledges that circumstances do arise during the course of a year whereby a shift of small amounts of money from one account to another at GSA could make a significant difference in the agency's ability to address unforeseen contingencies. Therefore, the Committee has granted limited transfer authority to the GSA for fiscal year 1984 as outlined above.

STANDARD LEVEL USER CHARGE ADJUSTMENT

The Committee has consulted with the House Committee regarding the standard level user charge (SLUC) increases agencies must pay. The freeze placed on charges during fiscal year 1983 has produced a large increase for this fiscal year. The Committee reluctantly agreed to place a 14-percent limit on the SLUC increase for this year. As a result, the Committee figures will be lower in some cases than the House figure because of the SLUC adjustments were not calculated in the total. SLUC will be discussed further in the Federal building fund discourse.

TOTAL FUNDING FOR TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for these same agencies under permanent authority which do not require consideration by the Congress during the annual appropriations process. The principal items in this category include payment of interest on the public debt which alone is anticipated to reach $144,500,000,000 for fiscal year 1984; interest on Internal Revenue Service refunds of income tax payments; payment of some claims and judgments; payments in connection with the civil service retirement and disability fund; and payment to Puerto Rico for internal revenue and customs collections.

The amounts recommended in the accompanying bill—in the form of new obligational authority—together with the funds provided under the permanent authority referred to above will provide approximately $207,800,000,000 during fiscal year 1984 for the agencies and activities under the general heading of this bill.

In addition to the agencies whose funds are derived from direct appropriations, there are other agencies that operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process or, as a matter of fact, from any other regular oversight by the Congress. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from congressional review, because such assessments are not construed under law to be Government funds.

TITLE I—DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

1983 appropriation to date	$37,310,000
1984 budget estimate	69,949,000
House allowance	47,730,000
Committee recommendation	65,743,000

The Committee recommends an appropriation of $65,743,000 for salaries and expenses for the Office of the Secretary. This amount is $4,206,000 below the level of funding recommended by the President for Office of the Secretary activities.

The Committee has combined the Office of the Secretary and the international affairs accounts. The House has provided for separate appropriations for the respective accounts. The Committee believes the combination of these accounts will facilitate administration. This action does not mean the Committee is not interested in the domestic/international affairs activities of the Treasury Department, but that it is felt that operational effort can be maximized. The Committee expects to review the respective expenditures in the budget justifications which are presented annually.

The functions of the Office of the Secretary are in support of and necessitated by the responsibilities of the Secretary of the Treasury as a major policy adviser to the President and executive director of the Department. The Secretary has primary responsibility for: Formulating and recommending domestic and international financial policy and tax policy; participating in the formulation of broad fiscal policies that have general significance for the economy; and managing the public debt. The Secretary also oversees the activities of the Department in carrying out its major law enforcement responsibilities, in serving as the financial agent for the U.S. Government, in manufacturing coins and currency, and in managing the operation and maintenance of the main Treasury and annex buildings.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. Major program concerns include maintenance of liaison with international organizations and foreign governments in matters of common economic concern; investment of exchange stabilization fund reserves and sales and purchases of foreign currency for the purpose of stabilizing exchange markets; projection and interpretation of international economic trends; formulation and execution of economic policy decisions regarding developing nations; development of U.S. policy regarding international financial institutions; assisting in economic aspects of programs funded jointly by the United States and Saudi Arabian Governments; and a variety of other programs.

The basis for the increase over the fiscal year 1983 figure can be attributed to consolidation of the audit and IG functions from the Bureau of Government Financial Operations, Bureau of the Mint, and Bureau of the Public Debt. The Committee believes the reduction proposed can be accomplished through further economies within the Office of the Secretary. The SLUC adjustment accounts for $257,000 of the reduction.

INTERNATIONAL AFFAIRS

1983 appropriation to date	$20,000,000
1984 budget estimate	....
House allowance	22,219,000
Committee recommendation	....

The Committee has combined this account with the Office of the Secretary. The House request is slightly higher than the Senate figure included in the Office of the Secretary account.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

1983 appropriation to date	$12,500,000
1984 budget estimate	14,481,000
House allowance	14,481,000
Committee recommendation	14,481,000

The Committee concurs with the House in recommending an appropriation of $14,481,000 for the Federal Law Enforcement Training Center. This amount is identical to the budget estimate.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced, in-service, refresher, and specialized (AIRS) training for law enforcement personnel of the participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants in ongoing training activities.

In recommending the full budget request for the Federal Law Enforcement Training Center, the Committee directs the Center to accelerate implementation of the new State and local training program. Cooperation and coordination between Federal, State, and local law enforcement agencies is absolutely critical to our national enforcement effort and this program shows great promise for solidifying these crucial relationships.

The Committee understands the bids on FLETC construction projects have come in substantially under budget. The Committee directs the Department to submit a reprograming request to use surplus funds for other purposes at FLETC. The Committee will give such a letter prompt consideration.

The Committee directs the Department to review and assess the feasibility of the unified budget concept with regard to FLETC user agencies. Special consideration should be given to cost-saving measures and efficiencies to be derived by implementing such a change in the way FLETC is currently funded.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

SALARIES AND EXPENSES

1983 appropriation to date	$248,000,000
1984 budget estimate	242,995,000
House allowance	242,995,000
Committee recommendation	239,995,000

The Committee recommends an appropriation of $239,995,000 for salaries and expenses of the Bureau of Government Financial Operations. This amount is $3,000,000 less than the budget estimate.

The Bureau of Government Financial Operations provides central payment services for all civilian executive agencies, except the U.S. Postal Service, U.S. marshals, and certain Government corporations, processes claims on lost, stolen, and forged checks, provides accounting services for the Government, including maintenance of the central accounts concerning appropriations, receipts, and expenditures for the Government as a whole, provides checking account facilities to Government disbursing officers for the purpose of drawing checks on the U.S. Treasury, compiles and publishes financial reports, and performs other unique central fiscal operations. The Bureau's financial requirements to carry out these programs are subject almost entirely to program increases generated by other agencies and the Congress.

This reduction reflects a reestimate of mailing costs based on volumes through the first half of fiscal year 1983 and slight changes to certain improvement projects planned throughout fiscal year 1984.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

1983 appropriation to date	$145,000,000
1984 budget estimate	157,122,000
House allowance	160,216,000
Committee recommendation	157,260,000

The Committee recommends an appropriation of $157,260,000 for the salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1984. This is an increase of $4,200,000 over the administration's request, reflecting the restoration of the interstate cigarette smuggling program which the administration had proposed to eliminate. It reflects a reduction of 20 positions originally slated for the Organized Crime Task Force. The House figures are the same. This increase is partially offset by a reduction of $2,956,000 in SLUC charges.

The responsibility of the Bureau of Alcohol, Tobacco and Firearms (ATF) is to: (1) Reduce the misuse of firearms and the misuse and unsafe or insecure storage of explosives and assist other Federal, State, and local law enforcement organizations in reducing crime and violence in which firearms and explosives are used, through the effective enforcement of the firearms and explosives laws of the United States; (2) insure that all revenue due under the alcohol and tobacco tax statutes is collected, and obtain, to the maximum extent possible, voluntary compliance with those laws; (3) suppress illicit manufacture and sale of non-tax-paid alcoholic beverages; (4) suppress commercial bribery, consumer deception, and other improper trade practices in the alcoholic beverage industry through the effective administration and enforcement of the Federal Alcohol Administration (FAA) Act; (5) eliminate trafficking of contraband cigarettes; and (6) administer research and development to improve technology as a means of combating the use of explosives in crime.

The Committee believes that the progress made by the Bureau of Alcohol, Tobacco and Firearms during the last 18 months validates the congressional mandate prohibiting the reorganization of ATF proposed in 1982. The management of the Bureau of Alcohol, Tobacco and Firearms and the Department of the Treasury are to be commended for the positive steps taken to comply with the congressional directive that ATF be rebuilt and revitalized.

The appropriation recommended by the Committee will provide for a continuation of the rebuilding process. The $157,260,000 proposed by the Committee will enable the Bureau to continue hiring to replace personnel lost by attrition during the period of uncertainty over ATF's future. The level of funding proposed is intended to provide for a ceiling of 3,150 authorized positions, with a full-time equivalent (FTE) ceiling of 3,040.

INTERNATIONAL TRADE

The Committee recommends concurrence with the administration's proposed reduction of seven positions in this program area. Our recommendation does not, however, reflect any dissatisfaction with ATF's efforts.

All information made available to this Committee indicates that ATF is an important contributor to the interagency effort to expand foreign marketing opportunities for U.S. alcoholic beverages. With this in mind, ATF is directed to continue its fine work in this area within the framework of the funding provided for fiscal year 1984.

CIGARETTE SMUGGLING

The Committee recommends the restoration of 66 positions and $4,200,000 to provide for continued ATF involvement in the effort to eradicate interstate smuggling of cigarettes to avoid payment of State taxes.

ATF's work in this program area has cost only a small fraction of the total revenue it has saved for the States. Testimony from State tax administrators indicates that the States are not yet in a position to pursue cigarette smugglers without significant support from ATF special agents and support personnel.

At a time when the States are being called upon to fund more and more programs previously underwritten by the Federal Government, the Committee believes it would be inappropriate to eliminate an enforcement program which enhances the ability of the States to bear a greater share of the burden. However, the Committee takes this opportunity to notify States it will no longer fund this program after fiscal year 1984, and that steps should be taken to make proper application to their respective programs.

ARSON

With the passage of the Anti-Arson Act of 1982, ATF's jurisdiction in the commission of the crime of arson was significantly expanded. The special agents of the Bureau of Alcohol, Tobacco and Firearms have responded admirably to this added responsibility in combatting one of the most cowardly and destructive criminal activities in existence. The Committee commends these agents and commits its full support to their efforts.

TASK FORCE ACTIVITIES

The Committee again notes the outstanding law enforcement work of the Bureau of Alcohol, Tobacco and Firearms' special agents and inspectors involved in Federal task force activities aimed at eradicating narcotics trafficking. ATF's successes in this battle are viewed with pride and a renewed respect for the commitment of ATF's personnel. The tragic loss of Special Agents Ariel Rios and Eddie Benitez, and the shooting of Special Agent Alex D. D'Atri during the course of an undercover investigation while assigned to the Vice President's Task Force, reflects the selfless dedication of ATF special agents. The recommended appropriation provides for 80 additional special agent positions for task force activities.

FEDERAL ALCOHOL ADMINISTRATION

The Committee has inserted a provision in the bill mandating funding for enforcement of the Federal Alcohol Administration Act at a minimum level of $15,000,000. This amount is the same as that which was appropriated for fiscal year 1983. The Committee believes that uniform enforcement of this act can best be accomplished at the Federal level. The capability of insuring compliance with the law varies greatly from State to State. The Committee believes the Bureau of Alcohol, Tobacco and Firearms, already in operation and staffed with experienced personnel, can more efficiently and economically enforce the Federal alcohol laws of this country than the States would be able to do on an individual basis. Rather than require each State to establish laboratories and train personnel in this fairly complex area of law enforcement, the Committee directs that the Bureau continue to enforce the alcohol law at the same levels it was enforced in prior years.

ATF RECORDKEEPING

Under current law firearms dealers are required to maintain records of firearms transaction records (ATF form 4473) in perpetuity. The mobility of the American people is such that the Committee sees little value in maintaining records in excess of 10 years. Current census data indicates that the average American family relocates itself once every 7 years. Therefore, the use of appropriated funds to require retention of records in perpetuity poses an unnecessary burden on law abiding citizens engaged in commerce in firearms. The Committee, therefore, reduces the current lifetime requirement to 10 years.

The Committee has also exempted the intrastate sale of firearms at officially recognized gun shows from certain regulations if all requirements of the Gun Control Act of 1968 are met.

ATF REORGANIZATION

The Committee is deeply concerned over proposals that have surfaced in the Congress to resurrect a 1981 administration plan to reorganize the Bureau of Alcohol, Tobacco and Firearms (BATF) and transfer many of its critical functions into the U.S. Customs Service, the IRS, and the Secret Service. On July 18, 1982, the President signed into law the Urgent Supplemental Appropriations Act, 1982 which contained language prohibiting the reorganization of BATF in fiscal year 1983, and all future reorganizations of the agency unless specifically approved by the House and Senate Committees on Appropriations. Since the disapproval of the administration's reorganization plan in 1982, the Department of the Treasury and the President have made an outstanding effort to rejuvenate the Bureau of Alcohol, Tobacco and Firearms into a major law enforcement arm of the Treasury Department and bolster its enforcement work force and missions. A new Director was sworn into office in 1983 and the Bureau is just now beginning to reassert itself as a law enforcement force that will once again have a major impact on the crimes of arson, explosives, and weapons trafficking.

Therefore, the Committee wishes to call attention to the permanent prohibitions contained in Public Law 97-216 which specifically discourage any future effort to reorganize this Bureau, unless expressly approved by the Committee and its counterpart in the House of Representatives. The Committee continues to believe that the Bureau of Alcohol, Tobacco and Firearms should remain a separate, freestanding Treasury agency, that its functions should remain within the Bureau; and not be transferred to other Treasury entities.

U.S. Customs Service

SALARIES AND EXPENSES

1983 appropriation to date	[1] $553,700,000
1984 budget estimate	[2] 545,243,000
House allowance	[3] 651,152,000
Committee recommendation	584,943,000

[1] Does not include $3,750,000 appropriated in Public Law 98–8, the emergency jobs supplemental bill, which created a new account entitled "Operation and maintenance, air interdiction program."

[2] Does not include $29,756,000 requested by the administration for regular air program operation and maintenance costs and the second air module. These requests have been incorporated into a new "Operation and maintenance, air interdiction program" account.

[3] The House has included all Customs funds under "Salaries and expenses."

The Committee recommends an appropriation of $584,943,000 for the salaries and expenses of the U.S. Customs Service. This amount is $39,700,000 more than the budget estimate of $545,243,000 that has been revised to reflect the shift of $29,756,000 to a newly-formed "Operation and maintenance, air interdiction program" account. This account was created in the emergency jobs supplemental bill that was signed into law on March 24 (Public Law 98–8).

The salaries and expenses account covers all personnel costs and related expenses for the U.S. Customs Service. The operation and maintenance, air interdiction program account covers the fuel, equipment, utilities, and supply costs associated with the Service's air interdiction program. The infusion of military assets into the Customs air program has necessitated the establishment of a separate account for the air program's operation and maintenance activities.

As the agency with the primary border enforcement responsibility and a major revenue producer, the U.S. Customs Service administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies which govern international traffic and trade. The multiencompassing aspects of this mission require the U.S. Customs Service to:

—Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations.

—Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers.

—Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade.

—Detect, interdict, and/or investigate: Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, drugs, and other contraband;

—Fraudulent activities calculated to avoid the payment of duties, taxes, and fees, or to evade the legal requirements of international traffic and trade;

—Illegal international trafficking in arms, munitions, and currency.

In fiscal year 1984, the administration requested $578,749,000, an increase of $7,432,000 over the authorized level for fiscal year 1983. This includes $50,632,000 for program enhancements and initiatives, $35,331,000 for increases necessary to maintain current levels, and savings of $78,531,000.

The program increases include $18,300,000 for establishing a second air module; $3,651,000 and 31 average positions for coping with the large influx of foreign participants and visitors that will be arriving for the summer Olympics; $10,000,000 for equipment for Operation Exodus; $2,300,000 for ADP equipment and support for special operations; $15,881,000 and 225 average positions for the President's Drug Task Force Initiative; and $500,000 for enforcement of the Toxic Substance Control Act. The Committee specifically allows funds for all of the increases proposed in the budget request.

The Committee has restored $39,700,000 and 1,600 positions that the administration proposed to eliminate in 1984. The Committee believes that the high level of drug abuse and related crime in this country requires a strong law enforcment effort to stem the tide of illicit drugs coming into the United States. The proposed reduction would also slow down the processing of visitors to this country and of our own citizens returning from abroad. Further, this reduction would slow down the processing of commercial goods being imported to the United States. And more importantly, this reduction would have a severe and adverse impact on the Government's ability to interdict the flow of illegal drugs and other contraband into the country, as well as on its ability to prevent the illegal exportation of high technology items to unfriendly countries.

The Committee directs that law enforcement activities have priority in the allocation of these additional personnel and funding. Specifically, the Committee directs that the 1,600 position restoration be distributed among the principal position categories as outlined in the following table:

Principal categories	Actual 1982	Estimate 1983	Fiscal year 1984 request	Committee	President + or −
Inspectors	3,987	4,125	3,305	4,289	+984
Import specialists	1,081	1,042	751	1,042	+291
Stenographers, typists, and secretaries	606	641	641	641	
Other clerks	521	547	547	547	
Customs aides	1,277	1,330	1,015	1,015	
Laboratory employees	135	140	120	140	+20
Customs patrol officers	1,082	1,175	1,077	1,246	+169
Other regional and district employees	1,776	1,864	1,499	1,589	+90
Customs agents	611	706	886	932	+46
Other investigations employees	109	125	145	145	
International affairs employees	170	161	161	161	
Regional counsel employees	79	78	78	78	
Headquarters employees	1,110	1,148	1,057	1,057	
Subtotal	12,544	13,082	11,282	12,882	+1,600
Part-time and temporary employees	330	410	441	441	
Total average positions	12,874	13,492	11,723	13,323	+1,600

The Committee intends to make it clear to the Customs Service that the 90 positions restored over the President's request for "other regional and district employees" should be used to hire or place air officers, pilots, intelligence specialists, and other enforcement personnel, rather than to hire or place administrative or clerical personnel. The Committee further believes it is critical that the Customs Service hire up to 50 new pilots in fiscal year 1984 as it prepares to receive the military aircraft to be used in its air interdiction program. The Committee acknowledges that the agency should be able to use these restored slots to hire the enforcment personnel mentioned above due to previously achieved personnel savings in the area of regional consolidation and bonded warehouse administration.

"OPERATION EXODUS"

The Committee has approved the full budget request of $30,600,000 for "Operation Exodus" in fiscal 1984.

"Operation Exodus" is an important Customs program designed to halt the flow of illegal, militarily-significant western technology and other high technology from the United States and other western countries to the Soviet Union and other Soviet bloc countries. Customs currently has a designated Exodus staff of approximately 292 specialists and investigators who constitute the Government's primary enforcement work force both in the United States and in foreign nations. The Exodus staff is supplemented by the approximately 750 Customs agents and inspectors who work at the major ports of entry to prevent the export of high technology hardware and software that is being illegally shipped to Soviet bloc countries or the Soviet Union itself.

The funding recommended by the Committee will help to further improve the effectiveness of the program by enhancing selectivity and reducing the time expended in conducting fruitless examinations and effective counterproductive detentions. The level of funding provided in the bill should allow Customs to add commodity specialists who are experts in various narrow lines of merchandise, to the Exodus field teams. These specialists would be trained in the intricacies of the export control and munitions regulations, and in high technology and related commodity lines. The specialists will have contacts and sources within the domestic industry who are in a position to provide valuable intelligence relative to individual manufacturers, specific lines of technology, and impending violations. The level of funding in the bill for Exodus will, most importantly, allow the teams to refine their selection process when reviewing export documentation, and quickly resolve, on site, most questions relative to licensing requirements for specific commodities.

The Operating Exodus funding recommended by the Committee will also allow Customs to provide better radio communications and facsimile transmission capabilities to enable the agency to make immediate inquiries and transmit descriptive literature to Commerce for such determinations as necessary. Additional equipment will also be made available to the Exodus teams and will help to make the Exodus teams fully mobile and self-contained.

The Committee is deeply concerned over the controversy that is developing between the Commerce Department and the Customs Service within the Department of Treasury over the duplication of enforcement activities of the Export Administration Act. The Committee understands that a final memorandum of understanding between the two agencies is currently under White House review. The Committee urges a speedy resolution to this issue.

The Committee believes strongly that the sensitive nature of Operation Exodus demands a clear delineation of responsibility between Commerce and Treasury, with Commerce continuing in its traditional role of licensing determination and Customs in its investigative and enforcement responsibilities. The Exodus Customs teams have developed an expertise and rapport with their foreign Customs partners that has taken years to cultivate and maintain. Customs has had notable success in making a serious dent in the flow of high technology to the Soviets and should not be forced into the untenable situation of working at cross purposes or duplicating the enforcement function with a new enforcement team at Commerce. The country cannot afford this unnecessary duplication of effort and the Committee believes that Customs should and must maintain its enforcement, seize-and-arrest responsibilities in fiscal year 1984 and beyond, with Commerce maintaining its traditional role of licensing of high technology exports and assisting in domestic investigations of violations of the Export Administration Act. The Committee again strongly urges the administration to formally clarify this matter in accordance with the general directions contained herein, since it cannot continue to remain unresolved to the detriment of important enforcement efforts.

MARINE INTERDICTION PROGRAM

The Committee has recommended an appropriation of $1,000,000 from within the existing funds for continuation of the Customs test of a new marine interdiction strategy in the southeastern part of the country.

The primary objective of the Customs marine program is to interdict and deter the smuggling of narcotics and other contraband into the United States. The Customs marine program was instituted in 1974 when Customs managers perceived the rapidly-expanding smuggling threat from waterborne conveyances. A Stanford Research Institute study concluded that there are approximately 15,000 vessels dedicated to the sole function of smuggling. The study further concluded that these vessels are responsible for carrying 18 million pounds of marihuana, 17,500 pounds of cocaine, and 350 pounds of heroin annually, exclusive of commercial shipping.

The Customs patrol fleet currently comprises approximately 110 boats in 49 different locations, with 770 Customs patrol officers involved in marine program operations. Concept and incorporating new and innovative ideas is underway. A detailed test of this proposed system in the Florida area this summer is planned. Joint Customs-Coast Guard marine interdiction efforts are also being developed and implemented.

The $1 million recommended by the Committee will allow Customs to continue development of the improved national marine interdiction program and will allow Customs to begin a 5-year radar platform and interceptor vessel procurement schedule, including navigation equipment, radar, and communications. The Committee expects to receive periodic reports from the Commissioner on the progress of the enhanced national marine interdiction program and the procurement of new marine interdiction assets.

CUSTOMS REPRESENTATION ALLOWANCE

The Committee recommends that the U.S. Customs Service be authorized to pay up to $10,000 out of its fiscal year 1984 appropriation for representational expenses incurred on official Customs Service international and other related activities. The Committee does not take lightly this recommendation for a separate representation allowance for the Customs Service and acknowledges that such allowances in other agencies have been subject to close scrutiny and often abused. However, the Committee has learned that Customs employees—both top officials and lower level staff—have been forced to pay for official representation expenses out of their own pockets on several occasions. The Committee believes that legitimate, necessary representation expenses should be paid for out of the Customs budget and has, therefore, authorized up to $10,000 to be used for these purposes. Finally, the Committee directs the Commissioner of Customs to report on a quarterly basis to the Committee on actual expenditures made for official representation purposes, including the amount expended, the purpose of the function for which the expenditure was made, and the date of the event. Furthermore, the Committee reserves the right to abolish the representation allowance provision in subsequent supplemental appropriation measures in fiscal year 1984 if it finds that the allowance is being abused or used for questionable purposes.

CLOSING AND CONSOLIDATION OF CUSTOMS OFFICES

The Committee continues to be concerned that the U.S. Customs Service may attempt to make wholesale closings, consolidations, and transfers of Customs offices, personnel, and functions along the northern borders of the United States and at various locations within the Nation's borders. The Congress specifically prohibited the closing of the Milwaukee, Wis., the Bridgeport, Conn.; Hartford, Conn.; Portland, Oreg.; Miami, Fla.; St. Albans, Vt.; Anchorage, Alaska; and Duluth, Minn./Superior, Wis. Customs offices in Public Law 97-377, the continuing resolution, 1983. During 1983, this Committee has been reviewing the administration's proposal that at least 40 Customs offices either be closed, its hours of operations reduced, or personnel shifted to other locations around the country. A hearing was held on April 25, 1983, to review the proposed personnel reductions and office closings recommended by the U.S. Customs Service. Subsequent to those hearings, the Treasury Department informally agreed to halt the closing of Customs offices and the consolidation of offices and personnel among the various Customs facilities around the country for the duration of the current fiscal year.

The Committee has no reason to believe that the Customs Service intends to embark on another program of wholesale closings or consolidations of Customs offices, functions, or personnel, or to resurrect its old program plans outlined above and during the April 25 hearing. However, the Committee has learned that the Treasury Department has solicited recommendations from the Commissioner of Customs regarding the feasibility and appropriateness of implementing recommendations contained in the President's private sector survey on cost control which call for reducing Customs regions; reducing the number of Customs districts; reducing the number of Customs ports and stations; and centralizing appraisement centers and administrative service centers. The Committee is pleased to learn that most, if not all, of these recommendations have apparently been rejected by Customs.

CUSTOMS OFFICE CLOSING: ADVANCE NOTICE REQUIREMENT

The Committee has recommended language in the bill that would require the Commissioner of Customs to provide the House and Senate Committees on Appropriations with 6 months advance notice of any and all proposed closings, consolidations, or transfer of Customs offices. Such advance notice would also include any proposed transfer of functions or personnel out of one Customs office into another Customs office. The Committee believes that this requirement is the least the Service can do in light of the significant concern expressed by this Committee and other members of the Senate regarding proposed Customs actions to close offices or shift personnel from one office to another in 1983. The Committee has proposed this language instead of more restrictive language that would prohibit such closings or transfers. However, should the Committee find that the Commissioner fails to comply with this advance notice requirement in the bill in fiscal year 1984, the Committee will have no alternative but to revert back to more restrictive measures in subsequent years.

MILWAUKEE, WIS., CUSTOMS OFFICE AND PERSONNEL

The Committee notes that the Milwaukee, Wis., Customs office continues to be hampered by a severe manpower shortage and a serious backlog of both import and export documentation classifications. Currently, the Milwaukee Customs office is operating with only two full-time import specialists—four full-time staff below its authorized manpower ceiling imposed by the Customs Service. Milwaukee is an important national seaport and is rapidly becoming one of the major ports for the export and import of high technology products. The Committee included language in the continuing resolution, 1983 which prohibited the closing or consolidation of this important port, and the transfer of any of its functions or personnel to Chicago.

Although the Committee has not included language in this bill to prohibit such closing or shift of personnel or functions, it directs the Commissioner of Customs not to close or relocate this important office during fiscal year 1984, nor to decrease the current work force at the port. Furthermore, the Committee, in acknowledgement of the serious backlog problem at Milwaukee, directs the Commissioner of Customs to assign at least four full-time personnel to the Milwaukee Customs office, including at least one additional import specialist to help alleviate the unacceptable backlog that has accrued at the office over the past few years. The Committee expects the Commissioner to report to the Committee within 30 days of enactment of this bill as to the specific steps it will take to bolster the import specialist work force at the Milwaukee, Wis., Customs office and when it expects those personnel to report to the office.

PAYMENT OF 1911 OVERTIME

The Customs Service is currently operating under a provision which limits the amount of overtime payable to $20,000 per employee per year. For fiscal year 1984, the Committee concurred with the House in establishing an overtime cap of $25,000 with language granting authority to the Commissioner to exceed this limitation in extraordinary, specific, individual cases where a waiver of the ceiling is deemed to be essential to the Customs mission. The Committee expects the Commissioner to report to the Committee on a quarterly basis with a compilation of those instances where the overtime cap was exceeded, including a description of the mission involved that led to the waiver, and the amount of money, if any, that was saved by paying the extra overtime versus moving other Customs personnel to handle the assignment in question. The information on the following pages explains the conditions under which 1911 overtime is paid.

Customs overtime laws, 19 United States Code 261, 267, and 1451 and 49 United States Code 1741(e), are more commonly referred to as "1911 overtime" since the original overtime law was enacted on February 13, 1911. The laws require that Customs officers be paid extra compensation for services performed on Sundays and holidays, or outside regular hours of duty on weekdays. These same laws require that the Government be reimbursed for the cost of these services by the parties requesting them; except, pursuant to statutory amendments, when the services are performed in connection with highway, bridge, tunnel, and ferry operations at our borders with Canada and Mexico or at airports on Sundays and holidays during the hours of 8 a.m. and 5 p.m.

The following information explains the basic rates for the computation of 1911 overtime earnings on weekdays and Sundays and holidays. Also cited are specific examples of various types of assignments and the pay commensurate with those assignments. It should be pointed out that the payment of Customs overtime is based upon periods of time worked rather than hours worked and thus results in a more complex system of payment.

WEEKDAYS (MONDAY THROUGH SATURDAY)

The rates are fixed at one-half day's pay (4 hours) for each 2-hour period or fraction thereof of at least 1 hour for overtime from 5 p.m. to 8 a.m. during the week; but cannot exceed 2½ day's pay for the full period, 5 p.m. to 8 a.m.

Examples:

1. If an importer requests the services of an employee to obtain (enter) his merchandise at 5 p.m. and the employee, whose regular tour of duty ends at 5 p.m., completes the assignment at 7 p.m., the employee will receive 4 hours (one-half day) pay for 2 hours of work.
2. If the same employee completes the assignment after 7 p.m. but before 8 p.m., the inspector will receive the same 4 hours pay for the more than 2 hours of work. The employee cannot be paid for the second period of work; that is, 7 p.m. to 9 p.m., until he has worked at least 1 hour into the period (to at least 8 p.m.).

The act also provides for what is commonly referred to as "call-back" compensation. This is paid, in addition to the hours worked, when a Customs officer has completed his normal tour of duty and is called back to work an overtime assignment. There are two methods of compensation.

One. An employee whose overtime begins before the expiration of the first 4 hours of the night is compensated from the beginning of the night to the conclusion of the service.

Example: If an employee whose regular tour of duty ends at 5 p.m. is called back for an overtime assignment to begin at 7 p.m., he will be paid as if he began the assignment at 5 p.m. Thus, if the 7 p.m. assignment ended at 9:30 p.m., the employee would receive 4 hours pay for the 2-hour period between 5 p.m. and 7 p.m. plus 4 hours pay for the 2½ hours actually worked in the period between 7 p.m. and 10 p.m.

Two. An employee whose overtime begins after the first 4 hours of the night or before the last 2 hours of the night is compensated for his assignment, plus 4 hours.

Example: If an employee whose regular tour of duty is between 8 a.m. and 5 p.m. is called back for an overtime assignment beginning at 3 a.m. and ending at 4:45 a.m., he will receive 4 hours pay for the period of work between 3 a.m. and 5 a.m., plus 8 hours pay (2 periods) for being called back.

SUNDAYS AND HOLIDAYS

The rates are 2 days' pay for overtime services up to 8 hours within the 24 hours of a Sunday or holiday and one-half day's pay for each 2-hour period, or fraction thereof, of at least 1 hour of overtime beyond 8 hours. The total compensation during any Sunday or holiday cannot exceed 4½ days' pay.

Examples:

1. Almost 90 percent of the assignments at major airports and almost 100 percent of the assignments at land border ports on a

Sunday or holiday are on a shift basis. In these situations, the employees are receiving 16 hours pay for 8 hours work.

2. Customs policy is to have the employees available for 8 hours from the start of their first assignment on a Sunday or holiday for any and all other assignments which may occur during the 8-hour period. If an employee is assigned to board a vessel at 6 a.m. on a Sunday and completes the assignment at 8 a.m., the employee receives 16 hours pay for 2 hours of work. If there are any other assignments between 8 a.m. (the end of the first assignment) and 2 p.m. (the end of the 8 hours), then the same employee will also be assigned to perform those duties with no additional compensation.

3. An employee who continues to work beyond an 8-hour tour on a Sunday or holiday is compensated at the same rate applicable at night on a weekday; for example, an employee who works between 8 a.m. and 6 p.m. on a Sunday would receive 16 hours of pay for the 8 hours between 8 a.m. and 4 p.m., plus 4 hours' pay for the 2-hour period 4 p.m. to 6 p.m.

INSPECTIONAL PERSONNEL

The Committee is greatly concerned over the continuing reduction in Customs inspector staffing, particularly in view of the rapidly increasing volume of both international air passengers and cargo and the resultant congestion and excessive delays now being experienced at U.S. airports of entry. Recognizing the need to conserve both manpower and financial resources of the Customs Service, the Committee has directed the Office of Management and Budget to take the steps necessary to implement a primary inspection consolidation system.

OPERATION GREENBACK

The severity and the enormous magnitude of the invastion of foreign drugs into this country through southern Florida and other entry points is a problem that is well known and well documented. One response to the problem is the jointly operated Customs and Internal Revenue Service (IRS) program called operation greenback. Because of the bulk of currency involved in the illegal drug traffic, there is no practical system for processing these funds other than through the international banking system. Operation greenback uses this fact along with the financial reporting required by the Bank Secrecy Act to assist in locating, identifying and seizing currency and other assets generated by criminal organizations. The Customs and IRS investigators use the documented audit trail of drug funds to help identify the principals of drug and organized crime families.

The Committee is well pleased with the success of the program and noted that since its inception in June 1980, 148 individuals from 39 organizations have been indicted and over $33,000,000 in U.S. currency has been seized. The Committee directs that of the amounts appropriated for the U.S. Customs Service no less than $1,700,000 and 35 positions shall be available for operation greenback.

COLLECTION OF TAXES AND DUTIES

The Commissioner of Customs is directed to enforce the limitation on alcoholic beverages acquired in a foreign country or the U.S. Virgin Islands, which a returning U.S. citizen may bring into the United States tax and duty free in accordance with U.S. Tariff Schedule items 813.30 and 830.31 and to collect all applicable Internal Revenue taxes and customs duties on quantities of alcoholic beverages in excess of the statutory exemption.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

1983 appropriation to date	....
1984 budget estimate	[1] $29,756,000
House allowance	([2])
Committee recommendation	31,000,000

[1] Includes $18,300,000 request for a second air module and $11,456,000 for operation and maintenance of the regular customs air interdiction program.

[2] House did not provide for a separate operation and maintenance, air interdiction program line item account. Funding for the air program was included by the House in the Salaries and expenses account.

The Committee recommends an appropriation of $31,000,000 for operation and maintenance expenses of the Customs air interdiction program. This is $1,224,000 more than the total amount requested for air program activities in fiscal year 1984. The House did not establish a separate line item account for operation and maintenance, air interdiction program in its version of the bill, but did provide the full budget request within the Customs salaries and expenses account.

The operation and maintenance, air interdiction program account is an account that was first established in Public Law 98-8, the Emergency Jobs Supplemental Appropriation bill, 1983, where a supplemental appropriation of $3,750,000 was provided for air interdiction activities. The operation and maintenance account covers those expenses incurred by the Customs Service for operating and maintaining the aircraft, radar, equipment, and facilities necessary to carry out the successful mission of the air interdiction program. This account also includes training and some equipment procurement and leasing either directly or indirectly associated with the air interdiction program.

The operation and maintenance, air interdiction program account also covers the costs associated with operating and maintaining the Army, Navy, and Air Force aircraft and equipment that will be loaned to Customs for use in its air interdiction program. Funding within this account will also cover the annual operating and capital costs of leasing an aerostat surveillance system to be located at a site in the Bahamas. This system will be used by the Customs Service to provide radar detection service for the air interdiction program.

The Committee believes that it is absolutely essential that this account be established as a permanent annual appropriation line item account in the Customs Service budget in fiscal year 1984 and in the years ahead. The Customs Service is responsible for maintaining and operating significant national law enforcement and military assets, assets that must be properly cared for with an appropriate level of resources, in accordance with the most rigorous military standards. The Committee, therefore, directs the Office of Management and Budget to adopt this new appropriation line item account in reviewing and preparing the fiscal year 1985 Customs Service budget and all subsequent Customs budgets.

PRESIDENT'S REQUEST AND COMMITTEE RECOMMENDATIONS

The President has requested a total of $29,756,000 for the air interdiction program, including $11,456,000 for operation and maintenance costs of the regular, existing air interdiction program, and $18,300,000 for establishment of a second air module.

The Committee recommends a total appropriation of $31,000,000 for operation and maintenance of the air interdiction program, including $12,700,000 for operation and maintenance costs of the regular, existing air interdiction program, and other costs associated with the support of military assets that have been and will be turned over to the Customs Service in fiscal years 1983 and 1984. The Committee directs that the $31,000,000 appropriated for operation and maintenance, air interdicton program be allocated as shown in the following tables:

Regular air program	$12,700,000
Utilities, communications, and rents	(500,000)
Contracts and services	(8,350,000)
Fuel and supplies	(2,400,000)
Equipment	(500,000)
Repair and alterations: New Orleans air support branch	(950,000)
Total, regular air program	12,700,000
Support of military assets turned over to Customs	$7,240,000
Pilot training	(867,000)
O&M:	
P-3A aircraft (Navy) (3)	(3,000,000)
C-12's; OV-10's; and other tracker aircraft (total of 8)	(1,273,000)
Blackhawk and Cobra helicopters (4)	(1,500,000)
Miscellaneous spares and parts	(600,000)
Total, support of military assets turned over to Customs	7,240,000
Modifications and equipment: Military assets turned over to Customs	4,610,000
P-3A aircraft modifications	(550,000)
C-12/OV-10 and other tracker aircraft: FLIR and radio equipment (infrared radar and communications)	(4,000,000)
Blackhawk/Cobra helicopters modifications	(60,000)
Total, modifications and equipment: Military assets turned over to Customs	4,610,000
Fixed radar: O&M/procurement	3,450,000
Lease/procurement aerostat radar surveillance system: Bahamas	(3,000,000)
O&M: Oil rig radar system	(150,000)
Other fixed radar lease/procurement	(300,000)
Total, fixed radar: O&M/procurement	3,450,000

Command, communications, control centers (C-3)	$3,000,000
Establish C-3 at Houston, Tex., air support branch	(1,500,000)
Establish C-3 at Tucson, Ariz., air support branch	(1,500,000)
Total, command, communications, control centers	3,000,000
Total:	
Regular air interdiction program	12,700,000
Support of military assets; fixed radar; and command centers	18,300,000
Grand total, operation and maintenance, air interdiction program: Committee recommendation	31,000,000

The Committee fully expects the Customs Service to follow the directives outlined in the table and paragraph above regarding the allocation of the operation and maintenance resources in fiscal year 1984. However, should circumstances change during the course of the fiscal year and opportunities arise for air interdiction enhancements not previously envisioned by the Committee or the Customs Service, and should a reallocation or adjustment to the directed funding levels be required to take advantage of such opportunities, the Commissioner is expected to notify the Committee in writing of such developments and fully justify in detail any reallocation of resources within the total appropriation for operation and maintenance recommended by the Committee.

The Committee notes that the appropriation language contained in the bill should not be interpreted or viewed in any way as a limitation on the authority of the U.S. Customs Service to acquire aircraft by means other than commercial purchase. Furthermore, the Committee reconfirms the intent of the House-Senate conferees on the fiscal year 1980 Treasury, Postal Service, and General Government Appropriation bill whom authorized the Customs Service to acquire aircraft through means such as seizure for violations of law and by transfer from other agencies. In fact, the language in the bill is intended to authorize the Customs Service to continue acquiring seized aircraft that have been confiscated as a result of legal action against a violator of Customs laws and to acquire aircraft and equipment from other Federal agencies, including the Department of Defense.

COMMAND, COMMUNICATIONS, CONTROL CENTER (C-3) AT TUCSON, ARIZ.

The Committee directs the Customs Service to establish a command control center (C-3) at Tucson, Ariz. In order for the Tucson air support branch to be able to fully utilize the various radar information from NORAD, FAA, and other fixed ground radar and airborne radar systems, the Committee believes that the Tucson air support branch must have this data link, command, communications, control center capability, beginning in fiscal year 1984. The Committee sees no inconsistency or duplication involved in establishing a C-3 Tucson and the goals of the national narcotics drug interdiction program in the area of radar surveillance and communication. To the contrary, the Committee believes that a C-3 strategically located at the Tucson air support branch will serve as a major data link component to the national radar surveillance and communication network that will be established under the national narcotics border interdiction system (NNBIS) by the Vice President.

The Committee further believes that the use of P–3A aircraft for mobile detection purposes by Customs represents a tremendous opportunity for Customs to finally bolster its surveillance and detection capabilities in fiscal year 1984 and beyond. Although the Committee has included funding to cover operation and maintenance costs for three such aircraft in fiscal year 1984, the Customs Service is encouraged to request additional P–3A aircraft from the Navy in fiscal years 1984, 1985, and 1986. The Navy has indicated that as many as 16 excess P–3A aircraft may be available for use by domestic law enforcement agencies, including the Customs Service. Although the Committee believes that Customs should assimilate the P–3's into their air program with caution, care, and proper planning for the operation and maintenance of these sophisticated aircraft, it believes that the Service should pursue with the Navy and the Air Force the prospects for obtaining at least six P–3's in fiscal year 1984, and another six P–3's for the air interdiction program in fiscal years 1985 and 1986. The Committee expects the Commissioner to keep the Committee fully apprised of any and all progress in these efforts to secure more P–3's for Customs in the coming fiscal year and the out-years.

USE OF MILITARY EQUIPMENT FOR AIR INTERDICTION

With the recent relaxation of *posse comitatus* prohibitions against the use of military assistance in civilian law enforcement, the Committee has been successful in finally developing a border-to-border air interdiction drug enforcement program within the Customs Service featuring the utilization of specific military aircraft, radar, and other sophisticated equipment. The Treasury Department has entered into agreements with the Navy, Air Force, and the Army regarding the use of specific military equipment that, for the first time, will give the Customs air interdiction program a comprehensive three-pronged capability to combat drug smugglers along the troubled southern and southwestern borders of the United States. After nearly 6 months of active deliberations with the Armed Service and the Customs Service, a program has been developed, using existing, excess military equipment to provide the Customs Service with a total (1) detection; (2) interception; and (3) seizure and arrest capability across the entire southern border, from San Diego to Miami, at a fraction of the cost the taxpayers would be forced to pay for new equipment under the old air module concept.

DETECTION

The Navy has agreed in principle to provide six sophisticated P–3A aircraft for use by the Customs Service. These aircraft would be provided out of excess inventories and outfitted with Air Force radar and other related equipment for use by the Customs Service as a detection platform along the Gulf Coast areas and the Mexican-U.S. borders. Funding for modification of the first P–3A aircraft with a combat radar was provided in the Emergency Supplemental Appropriation bill, 1983 (Public Law 98–8). The radar technology package will be installed in the remaining five aircraft for use by the Customs Service beginning in fiscal year 1984. These sophisticated radar-equipped aircraft will give the Customs Service both surface and air detection capabilities that it currently does not have in its air program and, coupled with existing FAA, military, and Customs fixed-radar, will give Customs a significant mobile detection platform. The P–3A has the capability to remain airborne for up to 16 hours, and would be used primarily to bolster our national detection capabilities in the high-threat corridors in the Caribbean and along the southwestern borders of the United States. It is the intention of the Committee that the first P–3A aircraft shall be operationally tested by Customs out of the Davis-Monthan Air Force Base in Tucson, Ariz.

INTERCEPTION

The Army has indicated its willingness to turn over to Customs up to eight C–12 Army tracker aircraft for Customs use as interceptors. These tracker aircraft would supplement the current Customs fleet of three Cessna Citations and five King Air aircraft that are currently being used in Miami, Tucson, and other locations around the country. These airplanes would become available to Customs upon replacement of C–12's in the Army inventory through their normal procurement process in fiscal 1984.

These aircraft would provide Customs air support branches with a comprehensive standardized air interception capability with a high degree of operational availability. Furthermore, by standardizing Customs' intercepter fleet, maintenance and parts would be more uniform and substantially less expensive. In addition, through reimbursable arrangements with the military, Customs could be able to secure major operation and maintenance services through existing military service depots in locations convenient to Customs air branches and without establishing its own depot and intermediate maintenance work force.

The Committee recognizes that the Customs low-flyer detection net is severely limited by a lack of digitizers. Therefore, the Committee after careful study, directs the Customs Service to purchase up to $2,000,000 allocated for this purpose within the budget 20 modified AN/SQR—17 DMED's to perform the digitizer function at a price not to exceed $100,000 per unit, including support for each unit.

SEIZE AND ARREST

The Committee notes that the Customs Service is currently completing an operational test of one UH–60A Blackhawk helicopter in Miami as a "seize-and-arrest" aircraft. Assuming the continued success of this test, the Army has agreed in principle to loan four Blackhawks to Customs for use as seize-and-arrest aircraft against drug smugglers. Additional Cobra helicopters also could become available to Customs during the course of the coming fiscal year. Negotiations between Customs and the Army are continuing on arrangements necessary to turn over Cobras and Blackhawks to Customs. Customs currently has on loan from the Defense Department four AH–1G Cobra helicopters. Therefore, the additional four high-speed helicopters would give Customs a total of eight seize-and-arrest helicopters to be used at the various air support branches around the country where the threat dictates the need for these helicopters.

In conclusion, the Committee's recommendation of $18,300,000 for these new air interdiction program initiatives involving the use of military assets for drug interdiction purposes, will allow Customs to acquire over $300,000,000 worth of assets to be operated and maintained by the agency at a small annual cost. The operation and maintenance of these military assets can be performed for substantially less than the $18,300,000 the President is requesting for just one additional air module. In fact, by recommending this same level of funding as proposed by the President, Customs will be able to operate and maintain the military equipment and make other significant improvements to its air program fleet.

In approving this major new step in Customs' air program, the Committee believes that it is absolutely essential that the Customs Service move quickly and responsibly to prepare a comprehensive plan for operating and maintaining these sophisticated military assets. The Customs Service should take whatever steps are necessary to restructure both its air maintenance and management program for handling this major new hardware and report to the Committee periodically on its progress and any problems that arise as it embarks on this major initiative.

NEW ORLEANS AIR SUPPORT BRANCH

The Committee notes that the New Orleans Air Support Branch will be a major base for the P–3A aircraft in light of its close proximity to existing Navy depot maintenance facilities in the South. Also, the New Orleans Air Support Branch is located in a major drug trafficking corridor and has been subjected to a significant increase in drug smuggler penetrations in recent months. At the same time, the New Orleans Air Support Branch physical plant is in deplorable condition and will require major repair and renovation work before it will be able to handle the arrival of the P–3A or other newly acquired military equipment. Therefore, the Committee has appropriated $950,000 for repair and alteration work at the New Orleans Air Support Branch. The obligation of these funds should be carefully monitored by the Customs Service and quarterly reports should be made to the Committee on the progress of the work at this important air interdiction facility.

BUREAU OF THE MINT

SALARIES AND EXPENSES

1983 appropriation to date	$48,000,000
1984 budget estimate	49,558,000
House allowance	49,558,000
Committee recommendation	49,000,000

The Committee recommends an appropriation of $49,000,000 for the salaries and expenses of the Bureau of the Mint. This amount is $558,000 below the budget request.

The Bureau of the Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve Banks in quantities required for the country's business transactions. Thus, the volume of the coinage program is determined by the public need for coins.

EXPANSION AND IMPROVEMENTS

1983 appropriation to date	$5,200,000
1984 budget estimate	3,070,000
House allowance	3,070,000
Committee recommendation	3,070,000

The Committee concurs with the House in recommending the full budget request of $3,070,000 for expansion and improvements for the Bureau of the Mint.

The primary responsibility of the Bureau of the Mint is to provide the Nation with an adequate supply of coins. In continued efforts to further improve effectiveness and efficiency in fulfilling this function, computerized forecasting models have been implemented. These models are designed to include economic indicators in coin demand forecasting, as well as production planning and inventory controls.

The Mint, with its present facilities and equipment, does not have the capacity to produce the forecasted demand of 22 billion coins per year by 1985. The purpose of this multiyear expansion and improvement program is designed to allow the Mint to meet the 1985 forecasted demand. A study has been initiated to review other requirements to meet demand through 1990.

In the early 1970's, the Department proposed a new Denver Mint to meet anticipated coinage demand during the 1980's. In 1976 Congress asked the General Accounting Office to study alternatives to the construction of a new Denver Mint, which then was estimated to cost $65,000,000. In 1978, the Mint initiated a detailed cost-benefit study of the alternatives recommended by GAO to meet production requirements to 1985, under guidelines issued by OMB. It was concluded that the recommendations of GAO to improve and expand existing facilities would be the most cost-effective method of expanding Mint capacity. Detailed cost estimates were prepared for each coin facility. Estimates for facilities modifications and production equipment totaled $18,000,000. This is the final installment on that modification plan. The Committee is keenly aware that steps must be taken in the near future to make a decision as to how to proceed with coin production needs in the next decade when mint production will meet its capacity.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

1983 appropriation to date	$201,000,000
1984 budget estimate	205,605,000
House allowance	205,605,000
Committee recommendation	196,427,000

The Committee recommends an appropriation of $196,427,000 for the Bureau of the Public Debt. This amount is $9,178,060 less than the budget request for fiscal year 1984. Of this reduction $178,000 can be attributed to the lower SLUC rate.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

In addition to funding the direct operating costs of the Bureau of the Public Debt and U.S. Savings Bonds Division, which is a separate organizational entity, this appropriation provides funds for reimbursing the Federal Reserve Banks for services performed in their capacity as fiscal agents of the United States, funds for payment of fees at stipulated rates to financial institutions and others for issuing and redeeming savings-type securities, and funds for payment of postage and registry fees to the U.S. Postal Service for services performed in the delivery of savings bonds and other Treasury securities.

SAVINGS BOND DIVISION

Since enactment of the Tax Equity and Fiscal Responsibility Act of 1982, activity within the Savings Bond Division has been significantly altered. Bonds are now available at a variable, market-based interest, making them competitive with commercial offerings. This change has reduced the number of redemptions significantly. The Committee notes that because of this, an additional savings can be made totaling $9,000,000 in fiscal year 1984.

The Committee urges the division to proceed with its effort in a cost-effective manner to sell more bonds.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

1983 appropriation to date	$170,510,000
1984 budget estimate	....
House allowance	102,312,000
Committee recommendation	99,800,000

The Committee recommends an appropriation of $99,800,000, an increase of $99,800,000 above the fiscal year 1984 budget request and a decrease of $70,710,000 below fiscal year 1983. The SLUC charge accounts for $200,000 of this reduction.

This appropriation was originally proposed for elimination by the administration; however, the Committee agrees with the House that its retention is necessary to provide continued review of the IRS's executive direction.

That direction includes the Office of the Commissioner and staff associated with establishing the policies and objectives of the IRS and for directing tax administration. Management services are also included as a part of this account.

The account shows a reduction of $70,710,000 below fiscal year 1983 levels and reflects the transfer of legal services, technical rulings and services, and internal audit and security activities to the other three IRS operating accounts and the inclusion of payroll and management information functions performed at the IRS Data Center.

The Committee approves and encourages the $2,000,000 for ADP enhancements. The Committee denies the $2,000,000 add-on requested for the study of the burden placed on taxpayers in filing tax returns and related schedules but suggests the study be conducted by use of existing funds within the salaries and expenses account. The further reduction of $312,000 should be derived from travel, other services, and other lower priority items.

The Committee is concerned that regulations issued by the Internal Revenue Service (IRS) relating to section 6045 of the Internal Revenue Code and amended in the Tax Equity and Fiscal Responsibility Act of 1982, Public Law 97–248, incorrectly interpret the scope of the law.

The Committee urges that the final regulations be revised to be mindful of the intent of Congress when this section was amended: namely, it was the intent of Congress to require brokers trading commodity futures contracts to report in a manner similar to stockbrokers, thus facilitating enforcement to assure all taxes that may be due by individuals are paid.

The Committee feels that it is inappropriate for the IRS to consider persons acting not as middlemen but for themselves as brokers. Specifically, coin dealers purchasing for their inventory and farmers purchasing livestock or grain from other farmers for their own use should not be considered brokers and should not be forced to report all their individual purchases to the IRS.

PROCESSING TAX RETURNS

1983 appropriation to date	$1,000,778,000
1984 budget estimate	988,479,000
House allowance	867,203,000
Committee recommendation	929,000,000

The Committee recommends an appropriation of $929,000,000, a reduction of $59,479,000 below the fiscal year 1984 request and an increase of $61,797,000 over the House figure. The SLUC rate accounts for $4,900,000 of this reduction.

Funds in this appropriation are used for processing tax returns, accounting for tax revenue, issuing notices and refunds, and processing information returns for the document-matching program. The computer service provides developmental assistance to modernize the mainline system.

This account has been restructured with the taxpayer service program being transferred to the investigation, collection, and taxpayer service appropriation. The Committee appropriation is based on this change.

The Committee recommends a restoration of the $75,000,000 the House deleted for ADP and systems modernization. These funds are vital to continue the effort begun last year by the IRS to upgrade its ADP system so it can adequately handle the enormous workload. During the past year, the IRS system has suffered through considerable downtime. These instances have impaired the agency's ability to carry out its function of processing the Nation's tax returns in as timely a manner as might be achievable. This will restore the $66,700,000 and 294 average positions, plus the $8,300,000 cut made by the House in IRS's base ADP and systems modernization budget.

The Committee approves 300 positions and $10,900,000; 187 positions and $6,800,000 below the request for implementation of the Tax Equity and Fiscal Responsibility Act (Public Law 97–248). The Committee also recommends a reduction of $15,000,000 below the budget request recently proposed by the Department of the Treasury reflecting greater efficiencies in returns processing. The Committee recommends a further reduction in travel and transportation of persons.

The Committee added $15,000,000 and 390 positions to meet additional processing requirements under alternate withholding of interest and dividend provisions.

EXAMINATIONS AND APPEALS

1983 appropriation to date	$1,009,409,000
1984 budget estimate	1,287,026,000
House allowance	1,259,815,000
Committee recommendation	1,232,000,000

The Committee recommends an appropriation of $1,232,000,000 for examination and appeals activities in fiscal year 1984, which is $55,026,000 below the budget estimate. The SLUC reduction totals $6,500,000.

The examinations and appeals appropriation provides resources to examine tax returns and to administratively settle taxpayer appeals of the examination findings. Examinations and appeals play a central role in the continued effectiveness of our self-assessment tax system and the fair and equitable application of the tax laws. The Service must examine taxpayers' books and records to determine the correctness of taxpayers' returns. In those instances where the taxpayer disagrees with examination findings, the appeals program provides an independent administrative review. The objective is to reach an impartial settlement, fair to the taxpayer and the Government, without the necessity of litigation.

The appropriation also provides independent administrative review of contested assessments and represents the IRS in the litigation process. Under the approved realinement, this account now includes the employee plans and exempt organizations activities which previously has been included in the investigations and collections appropriation.

An increase of 1,232 average positions and $42,400,000 has been requested and approved by the House for implementation of TEFRA.

The Committee notes the importance of examination in the revenue process; however, feels certain economies can be made. Therefore, the Committee approves 657 average positions and $22,622,000. The Committee approves the 275 average positions and $14,100,000 to follow through on tax disputes and an additional 41 average positions and $45,200,000 for mandatory cost increases. The balance of the reduction should be applied to travel and other low-priority programs.

INVESTIGATIONS, COLLECTIONS, AND TAXPAYER SERVICE

1983 appropriation to date	$767,493,000
1984 budget estimate	1,016,046,000
House allowance	1,014,775,000
Committee recommendation	1,004,000,000

The Committee recommends an appropriation of $1,004,000,000 for investigations and collections activities in fiscal year 1984. This amount is $12,046,000 below the budget request. Of the reduction $5,400,000 can be attributed to the SLUC adjustment.

The account has been restructured to include funds for the following four activities—tax fraud investigations, collection, taxpayer service, and enforcement litigation and rulings. The tax fraud investigations activity is responsible for enforcement of criminal statutes relating to violation of internal revenue laws. The collection activity provides for collecting unpaid accounts, as well as securing unfiled tax returns and payments. The taxpayer service provides information and assistance to taxpayers to assist them comply to the tax laws. Enforcement litigation and rulings provides legal support for the IRS. Taxpayer service has been included in this restructured account, while employee plans and exempt organizations has been transferred to the examination and appeals appropriation.

The Committee is adding 45 average positions and $2,553,000 to tax fraud investigations for participation in the President's Organized Crime Task Force. The additional resources result from reallocation of other Treasury Bureau resources, bringing IRS's total to 220 positions.

TAXPAYER ASSISTANCE

The Committee has agreed with the House and restored 986 average positions and $25,000,000 to the taxpayer assistance program. This function is most important to the Nation's taxpayers. As tax laws become more complex, more assistance is necessary to aid in preparation of returns. The Committee, therefore, directs that fiscal year 1983 levels be maintained. This and other actions will lead to a net increase of 144 positions in this account over fiscal year 1983.

The Committee directs that the taxpayer services programs including the volunteers in tax assistance (VITA) and tax counseling for the elderly (TCE) be continued at the levels of $1,300,000 and $2,000,000 respectively.

The Committee directs the Internal Revenue Service, within the additional funds allocated to the taxpayer service function, to restore taxpayer service to the level which was provided during the tax filing season of 1981 in the IRS field offices in Montpelier, Rutland, and

Brattleboro, Vt. This explicitly includes the restoration of the taxpayer service staff positions in the above-mentioned offices.

OPERATION GREENBACK

The Committee is pleased with the success of the program Operation Greenback that is jointly operated with the U.S. Customs Service. Since the creation of this program in June 1980, 148 individuals from 39 organizations have been indicted and over $33,000,000 in U.S. currency has been seized. This program is an important tool to assist in locating, identifying, and seizing currency and other assets generated by criminal organizations involved in illegal drug traffic. The Committee, therefore, directs that of the amounts appropriated to this account, no less than $2,800,000 and 62 positions shall be available for Operation Greenback.

PAYMENT WHERE ENERGY CREDIT EXCEEDS LIABILITY FOR TAX

1983 appropriation to date	$300,000
1984 budget estimate	200,000
House allowance	200,000
Committee recommendation	200,000

The Committee concurs with the House in recommending the budget request of $200,000 for payment where energy credits exceed liability for tax.

The Energy Tax Act of 1978 authorized a solar-wind business energy credit beginning October 1, 1978. As provided by law, there will be instances where a solar-wind business credit will exceed the amount of tax liability owed, resulting in a payment to the filer. This account provides for those funds which are required to make payments to businesses when the solar-wind credit exceeds the amount of tax liability owed.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

1983 appropriation to date	$235,000,000
1984 budget estimate	270,860,000
House allowance	284,860,000
Committee recommendation	294,555,000

The Committee recommends the appropriation of $294,555,000 for the U.S. Secret Service. The SLUC adjustment lowers the appropriation need by $1,445,000.

The Secret Service is responsible for protection of the President and other officials, investigating counterfeiting of currency and check forgeries, and protection of the White House and other buildings in Washington, D.C.

The Service is a labor-intensive organization whose special agent personnel have the dual responsibilities of guarding the lives of this country's highest public officials, world leaders, and taking action against those who would undermine the Nation's currency and securities. In recent years, the Secret Service has taken on additional investigative responsibilities, notably those related to the electronic funds transfer, computer fraud, and the food stamp program and has had a very significant increase in investigations related to protective intelligence matters along with the requirement to provide protection in an ever-escalating climate of world terrorism.

The Committee recognizes that it provided authority for the Secret Service to hire 200 additional special agent personnel during fiscal year 1983. This Committee also recognizes that when the 200 additional positions were authorized, funding only permitted the Secret Service to hire 150 special agents. This Committee is now authorizing an additional $3,000,000 to enable the Secret Service to fully fund the 200 special agent positions authorized in fiscal year 1983. At the time of that decision, it was believed the 200 positions would suffice. Through a combination of chronic understaffing, increased responsibilities, and the upcoming Presidential campaign, the situation has and will be exacerbated.

In order to insure the continuation of the excellent record of the Secret Service and prevent any future shortages of agent personnel, the Committee directs that the Service recruit an additional 175 special agent positions for the fiscal year 1984. This Committee also authorizes the purchase of an additional 100 law enforcement vehicles in support of the 175 new special agent positions.

The Committee also recognizes the integral role played by support personnel and directs the Secret Service to recruit an additional 100 non-special agent support personnel.

The Committee recognizes the need to stay abreast of the latest developments in equipment used by the Secret Service in its protective and investigative missions and has provided an additional $2,000,000 for the purchase of essential equipment.

The Committee also recognizes the dual purpose for which the Secret Service utilizes police-type vehicles for protective and investigative responsibilities. In view of the special circumstances in which these cars are used, the Committee has provided appropriate language to allow the Secret Service to purchase passenger motor vehicles for police-type use without regard to the general purchase price limitation for the current fiscal year.

This Committee recognizes the need for the Secret Service to present a suitable image while providing security to the President and Vice President and other protectees while in proximity to the White House and other permanent protective sites. Therefore, the Committee has provided appropriate language which will allow the Secret Service to purchase uniforms without regard to limitations set forth in 5 U.S.C. 5901.

The Committee recommends an appropriation of $3,154,000 to continue improvements and construction activities at the James J. Rowley Secret Service Training Center located in Beltsville, Md. The amount recommended in the bill will allow the Secret Service to begin phase II of the proposed expansion of its training road network for protective operations, protective training support building, a K–9 support facility, and to inaugurate a protective driver training area to be used for training Secret Service agents. In order to provide for these important projects (phase II) at the James J. Rowley Secret Service Training Center, the Committee has directed that $4,154,000 in new budget authority be allowed and that these funds are made available until expended.

The Committee also recommends an appropriation of $8,000,000 to remain available until expended for payment to State and local governments. The House approved a total of $15,000,000. The Committee reemphasizes the fact that this funding burden should not be carried by the Secret Service, but rather the Department of State.

Finally, out of the funds appropriated in the accompanying bill, $5,000 is for official reception and representation expenses of the Director of the Secret Service and is to be expended only at his direction and with his approval.

The Committee allows 4,375 authorized positions for 1984.

FIELD OFFICES

Last year, the Congress directed the Service to open three new field offices abroad. These offices were to be located in Rome, Italy; Bogota, Colombia; and in Southeast Asia. If, by January 1, 1984, the Service does not have these new offices open and operational, the Service is directed to seek the assistance of this Committee forthwith.

FOREIGN MISSIONS ACT

The Secret Service is directed to report to the Senate and House Committees on Appropriations concerning its involvement in the implementation of the Foreign Missions Act (title II of Public Law 97–241). Such report is to accompany the Department's annual budget submission to the Congress for each fiscal year through 1988.

The report shall describe the participation of the Service in any revision by the National Capital Planning Commission of its "foreign missions and international agencies" element of the comprehensive plan pursuant to the act. Such report shall also describe the participation of the Service in any revision of the District of Columbia zoning regulations and maps with respect to foreign mission chancery use and location pursuant to the Foreign Missions Act.

A listing of foreign mission property use requests submitted to the Department of State by foreign missions and on which the Service commented shall be provided, along with a summary description of perceived trends in use requests and impacts on the Service's resources. Such report shall enumerate dates on which the Service met, or otherwise consulted, with the appropriate officials and shall include copies of written correspondence from the Service to those officials.

Lastly, the report shall evaluate the impact of the Foreign Missions Act on the Service's statutory responsibilities, its resources, and make recommendations for changes in existing regulations, procedures, or law, where warranted.

DEPARTMENT OF THE TREASURY

General Provisions

The Committee has several provisions which apply to the Department of the Treasury. Sections 102 and 103 have traditionally been included in the bill. The following new sections are proposed:

SEC. 101. Provides authority to expend resources in foreign nations in certain instances.

SEC. 104. Prohibits use of electronic fund transfers or use of lock boxes in collection of excise taxes for alcoholic beverages.

SEC. 105. Allows the Treasury to transfer 2 percent of appropriations between accounts. The Committees must approve such transfers.

SEC. 106. Allows collections of duties due the Treasury within 25 days of importation. If determination is made that duty is too high, the Treasury would repay with added interest equal to payment accorded any like overpayment.

SEC. 107. Repeals the capitalization limitation.

SEC. 108. Allows authority to compensate private debt collection agencies from debts collected.

SEC. 109. Maintains exemption of excise tax payments by certain "customs gunsmiths" enacted in Public Law 97-276.

SEC. 110. Prohibits application of newly formed Office of Inspector General's oversight authority to U.S. Customs Service, Secret Service, and Bureau of Alcohol, Tobacco and Firearms.

TITLE II—UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

1983 appropriation to date	$789,000,000
1984 budget estimate	400,000,000
House allowance	879,000,000
Committee recommendation	802,000,000

The Committee has recommended an appropriation of $802,000,000 for payment to the Postal Service fund in fiscal year 1984. The total is $77,000,000 below the House, and is $402,000,000 over the budget request.

The Postal Service appropriation is authorized under the Postal Reform Act and traditionally has been broken down into three major categories: public service costs; revenue forgone on free and reduced rate mail; and nonfunded liabilities of the former Post Office Department. The budget request calls for an appropriation of $400,000,000 for revenue forgone mail, but no funding for either public service costs or to cover nonfunded liabilities. The Omnibus Reconciliation Act of 1981 (Public Law 97-35) provided authorization for an appropriation of $760,000,000 for revenue forgone mail in fiscal year 1984.

Operational efficiencies and savings by the Postal Service no longer require a public service subsidy. The USPS is now absorbing those costs through operating funds.

The $802,000,000 recommended in the budget request is for the purpose of reimbursing the Postal Service for loss in revenue associated with carrying certain categories of mail at free and reduced rates.

The Committee has appropriated $802,000,000 for the revenue foregone subsidy. The $802,000,000 will raise postal rates one step under the phasing agreement.

The following tables represent the estimated distribution of the revenue forgone subsidy by preferred rate subclass:

POSTAL REVENUES AND REQUESTED REVENUE FORGONE APPROPRIATIONS, 1984 ESTIMATED DISTRIBUTION BY PREFERRED RATE SUBCLASSES

[In thousands of dollars]

Service category	Total cost		Postal revenues	Subsidy	Subsidy as a percent of cost
	Attributable[1]	Nonattributable[2]			
Second-class mail:					
Within-the-county	$56,680	$66,893	$101,160	$22,413	18.1
Outside-the-county:					
Nonprofit publications	243,160	26,583	260,847	8,896	3.3
Classroom publications	3,941	5,587	7,651	1,877	19.7
Regular rate publications	[3]826,995	9,472	833,276	3,191	0.4
Third-class mail: Bulk rate nonprofit	491,275	416,809	768,444	139,640	15.4
Fourth class: Library rate material	56,541	34,893	79,738	11,696	12.8
Free mail for blind and handicapped		50,455		50,455	100.0
Reconciliation adjustment				161,832	100.0
Total	1,678,592	610,692	2,051,116	[4]400,000	

[1] Comprised of direct and indirect variable costs, including longer-run variable costs and specific fixed costs.

[2] That portion of total nonattributable costs which are to be covered by these subclasses in the form of continuing appropriations.

[3] Includes additional nonattributable costs not covered by continuing appropriations.

[4] Represents ceiling imposed by the current administration.

POSTAL REVENUES AND REQUESTED REVENUE FORGONE APPROPRIATIONS, 1984 ESTIMATED DISTRIBUTION BY PREFERRED RATE SUBCLASSES

[In thousands of dollars]

Rate category	Total cost[1]		Postal revenues	Subsidy	Subsidy as a percent of cost
	Attributable[2]	Nonattributable[3]			
Second-class mail:					
Within-the-county	$56,680	$66,893	$51,062	$72,511	58.7
Outside-the-county:					
Nonprofit publications	243,160	26,583	208,566	61,177	22.7
Classroom publications	3,941	5,587	3,702	5,826	61.1
Regular rate publications	[4]826,995	9,472	819,595	16,872	2.0
Third-class mail: Bulk rate nonprofit	491,275	416,809	439,234	439,850	51.6
Fourth class: Library rate material	56,541	34,893	49,957	41,477	45.5
Free mail for blind and handicapped		50,455		50,455	100.0
Reconciliation adjustment				161,832	
Total	1,678,592	610,692	1,572,116	879,000	

[1] Based on the same volumes as the original revenue forgone appropriation submission.

[2] Comprised of direct and indirect variable costs, including longer-run variable costs and specific fixed costs.

[3] That portion of total nonattributable costs which are to be covered by these subclasses in the form of continuing appropriation.

[4] Includes additional nonattributable costs not covered by continuing appropriations.

The following table refects the effect on subsidized mail rates of the President's budget estimate of $400,000,000 and the appropriation levels discussed by the Committee:

COMPARATIVE POSTAL PRICES FOR ILLUSTRATIVE MAILINGS—ADJUSTED FOR APPROPRIATION SHORTFALL REVENUE FORGONE APPROPRIATIONS FOR ALL CLASSES REDUCED PROPORTIONATELY—FISCAL YEAR 1984[1]

	Current price effective Jan. 9, 1983 (cents)	Price at total revenue forgone appropriation of (millions)										Regular (unsubsidized) rate level	
		$879[2]		$802[3]		$760[4]		$500[5]		$400[5]			
		Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Second-class publication in county Rural newspaper; Frequency: Weekly; Weight: 4 ounces; Advertising: 50 percent; All delivered in county presorted to 5 digits	3.6	3.6	0	3.9	8	4.1	14	6.2	72	7.1	98	9.1	155
Nonprofit Veteran's magazine; Frequency: Monthly; Weight: 4 ounces; Advertising: 20 percent; New York to Chicago; Presorted to 5 digits	6.6	6.6	0	7.3	11	7.8	18	8.5	29	8.7	32	9.2	39
Classroom Classroom publication; Frequency: Weekly; Weight: 12 ounces; Advertising: 15 percent; New York to Chicago; 32 copies per piece	6.7	6.7	0	7.0	4	7.2	7	11.6	73	13.6	103	17.3	158
Science of Agriculture Rural agricultural newspaper; Frequency: Weekly; Weight: 4 ounces; Advertising: 50 percent; Within 150 miles of entry; Presorted to 5 digits	8.4	8.4	0	8.4	0	8.5	1	8.7	4	8.9	5	9.1	8

See footnotes at end of table.

COMPARATIVE POSTAL PRICES FOR ILLUSTRATIVE MAILINGS—ADJUSTED FOR APPROPRIATION SHORTFALL REVENUE FORGONE APPROPRIATIONS FOR ALL CLASSES REDUCED PROPORTIONATELY—FISCAL YEAR 1984[1]—Continued

	Current price effective Jan. 9, 1983 (cents)	Price at total revenue forgone appropriation of (millions)										Regular (unsubsidized) rate level	
		$879[2]		$802[3]		$760[4]		$500[5]		$400[5]			
		Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)	Effective Oct. 1, 1983 (cents)	Increase over (1) (percent)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Under 5,000 copies	7.2	7.2	0	7.6	6	8.0	11	8.5	18	8.7	21	9.1	26
Newspaper; Frequency: Weekly; Weight: 4 ounces; Advertising: 50 percent within 150 miles of entry; Presorted to 5 digits													
Third-class nonprofit:													
Fundraising letter; Weight ¾ ounce; Nationwide distribution—													
Presorted to carrier route	3.3	3.3	0	3.7	12	3.9	18	5.6	70	6.4	94	7.9	139
Presorted to 5 digits	4.3	4.3	0	4.7	9	4.9	14	6.7	56	7.6	77	9.3	116
Required presort	5.2	5.2	0	5.6	8	5.8	12	7.9	52	8.9	71	10.9	110
Fourth-class library rate	.47	.47	0	.51	9	.54	15	.68	45	.73	55	.86	83
Book between libraries; Weight: 2 pounds; New York to Chicago													

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[1] These prices are appropriate only if prices are implemented on Oct. 1, 1983. If the price implementation date is delayed, higher prices will be required to compensate for the period that lower prices were in effect.

[2] Phasing Step 14.

[3] Phasing Step 15.

[4] Between Phasing Step 15 and Step 16.

[5] Price is above full price level.

REVENUE FORGONE STUDY

The revenue forgone subsidy has caused considerable debate in the last few years. the Committee feels, as it believes, most mailers receiving this subsidy that it is important for them to pay a fair share for postage. A problem, however, has arisen that has caused rates to be very unstable. Stability in rates is most desireable. The Committee would, therefore, suggest that the authorizing committees look very carefully into what can be done to stabilize rates, while containing the growth of the subsidy.

PUBLIC SERVICE SUBSIDY

The Committee notes that the Postal Service requested no funds for public service costs specified in the Postal Reorganization Act of 1970. Appropriations for public service were initially authorized by Congress in the act of 1970 to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." The Committee is most pleased that the Postal Service has reached such a plateau since the reorganization, however, it does not mean the Committee will retreat from its historic position that the public service subsidy is an essential ingredient in helping to maintain postal services such as 6-day delivery, door-to-door delivery, corner box collection, and small post office operations in small and rural communities where mail delivery is particularly important to their citizens. The Committee directs continuation of 6-day service and operation of small post offices.

REVOLVING FUND

The Committee is concerned about the current status of the revolving fund. Testimony indicated steps are being considered to collect debts owed by foreign governments to U.S. flag carriers. Outstanding debts create serious financial problems for these U.S. carriers. The Committee, therefore, urges the Postal Service to make every effort possible to collect the legitimate debts.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

1983 appropriation to date	$250,000
1984 budget estimate	250,000
House allowance	250,000
Committee recommendation	250,000

The fiscal year 1984 budget request for compensation of the President is $250,000. This amount includes $200,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a $50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee concurs with the House in recommending the full budget request of $250,000 for compensation of the President.

OFFICE OF ADMINISTRATION

1983 appropriation to date	$12,904,000
1984 budget estimate	14,900,000
House allowance	14,900,000
Committee recommendation	14,295,000

The Committee recommends an appropriation of $14,295,000. The SLUC adjustment of $605,000 accounts for the Senate's figure.

The Office of Administration was created in 1977 under Reorganization Plan No. 1 and Executive Order 12028. The purpose of the Office of Administration is to provide common, centralized administrative support to all of the organizations in the Executive Office of the President (EOP). There will be 12 agencies in the EOP in 1983 and the services which OA will provide to those organizations include personnel management, financial management, office services and operations, information and records management, and data processing.

The Committee is pleased the Office of Administration is taking the steps to upgrade the automatic data processing (ADP) available to the President. Eight positions are being requested to staff the ADP facility with full-time Government employees. In prior years, these positions have been filled by contract. Operations should be much improved with a stable and experienced workforce. Two improvements will be made in fiscal year 1984. First, funding is sought for a secure CPU necessary to handle classified data. The second will enable OA to establish a risk analysis and disaster recovery plan. The Center currently does not have a backup plan in the event of a disaster.

THE WHITE HOUSE OFFICE

1983 appropriation to date	$21,300,000
1984 budget estimate	23,413,000
House allowance	23,413,000
Committee recommendation	22,830,000

The Committee recommends an appropriation of $22,830,000 for the White House Office. The Committee's reduction of $583,000 reflects the SLUC adjusment.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95–570 authorized appropriations for the White House Office and codified the activities of the White House Office.

The House has approved the same total. The funds will allow for funding of 322 full-time, permanent positions, which is the same as the number authorized in 1983.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

1983 appropriation to date	$3,800,000
1984 budget estimate	4,550,000
House allowance	4,550,000
Committee recommendation	4,550,000

The Committee recommends an appropriation of $4,550,000 for the Executive Residence at the White House.

These funds provide for the care, maintenance, and operation of the Executive Residence. The personnel funded from this account include cooks, gardeners, and other personnel involved in the day-to-day operation of the Executive Residence.

The request provides an increase of $601,000 over 1983 and a staffing level of 89, 2 full-time, permanent positions more than last year. Continued restoration of the North Portico and exterior painting will account for a nonrecurring expenditure of $200,000.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

1983 appropriation to date	$275,000
1984 budget estimate	262,000
House allowance	262,000
Committee recommendation	262,000

The Committee recommends an appropriation of $262,000 for the Official Residence of the Vice President, equal to the fiscal 1984 budget request.

This appropriation provides for the purchase, lease, and operation of appropriate equipment, furnishings, improvements, alterations, maintenance, repairs, services, and other provisions as may be required under the supervision of the Vice President to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his office. The appropriation also includes $60,000 for official entertainment expenses of the Vice President.

The fiscal year 1984 appropriation of $202,000 will provide for the continuous day-to-day habitability, upkeep, and operational services of the Vice Presidential residence. No positions are funded by this appropriation.

SPECIAL ASSISTANCE TO THE PRESIDENT

1983 appropriation to date	$1,475,000
1984 budget estimate	1,593,000
House allowance	1,593,000
Committee recommendation	1,593,000

The Committee recommends an appropriation of $1,593,000 for special assistance to the President.

This appropriation is to provide for a staff for the Vice President to carry out his executive branch functions and to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special Presidentially assigned functions.

The Vice President serves as a member of the President's Cabinet and acts as Chairman when the President is absent (designated by the President) and he serves as Vice Chairman of the National Security Council (designated by the President) (member of NSC—National Security Act of 1947); he is also an adviser to the President on issues and national problems and assists the President in ceremonial functions and in the conduct of international affairs. The Vice President also has a staff funded by the Senate for his duties in the legislative branch.

COUNCIL OF ECONOMIC ADVISERS

1983 appropriation to date	$2,100,000
1984 budget estimate	2,464,000
House allowance	2,464,000
Committee recommendation	2,464,000

The Committee recommends an appropriation of $2,464,000 for salaries and expenses of the Council of Economic Advisers.

The Council of Economic Advisers analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal Government, and assists in preparation of the annual Economic Report of the President to Congress.

The 34 positions approved by the Committee are the same number authorized in 1983.

OFFICE OF POLICY DEVELOPMENT

1983 appropriation to date	$2,600,000
1984 budget estimate	2,861,000
House allowance	2,861,000
Committee recommendation	2,861,000

The Committee recommends the budget request of $2,861,000 for the Office of Policy Development.

The Office of Policy Development is charged with advising and assisting the President in the formulation, evaluation, and coordination of national domestic policy. The Office of Policy Development has the central role in formulation of domestic policy and is responsible for coordinating and supporting the Cabinet Councils and for supporting the President's Economic Policy Advisory Board. The Office also provides support for several other functions within the Executive Office of the President, including planning and evaluation, Cabinet affairs, and drug abuse policy.

National Security Council

1983 appropriation to date	$4,265,000
1984 budget estimate	4,497,000
House allowance	4,497,000
Committee recommendation	4,497,000

The Committee recommends an appropriation of $4,497,000 for the salaries and expenses of the National Security Council.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

Office of Management and Budget

SALARIES AND EXPENSES

1983 appropriation to date	$33,000,000
1984 budget estimate	34,246,000
House allowance	38,643,000
Committee recommendation	[1]31,603,000

[1] $5,397,000 has been transferred to establish a separate Office of Information and Regulatory Affairs (OIRA) account.

The Committee recommends an appropriation of $31,603,000, a reduction of $8,040,000 below the fisical year 1984 budget request. Of that total, $2,166,000 can be attributed to SLUC. The Committee feels other economies will result in the remainder of the savings.

This Office of Management and Budget assists the President in the discharge of his budgetary, management, and other executive responsibilities. The Office performs the function of assisting the President in the preparation and execution of the Federal budget. The Office also provides the President with an institutional staff capability in executive management—particularly in program evaluation and coordination, Government organization, and information and management systems.

FEDERAL INSPECTION

The Committee reaffirms its concern over persistent delays in primary inspection (Customs, Immigration Service, etc.) functions involving the efficient movement of people and cargo at airports and border inspection points. The feasibility of consolidating these primary inspection functions has been discussed and studied on many occasions over the years, and recommendations have been made repeatedly that consolidation be implemented, and overall primary inspection responsibility be placed with the service now carrying the greatest inspection workload.

Therefore, the Committee urges the Office of Management and Budget, in its role as a management expert, to take the steps necessary to initiate a primary inspection consolidation plan.

COMMITTEE DIRECTIVE: THE FEDERAL DRUG INTERDICTION BUDGET

In March of this year, the President announced the creation of a national narcotics border interdiction system (NNBIS), a program designed to bolster civilian drug interdiction efforts around the borders of the United States. In the same month, this Committee recommended and the Congress approved a supplemental appropriation of $3,750,000 to initiate the first part of a major Customs air interdiction program featuring the use of military assets to improve our war on drug smugglers.

As the Congress joins forces with the administration to wage war on drug smuggling operations that threaten our borders, it is imperative that this Committee, other appropriate legislative committees, and the public be able to know what level of resources are being expended and requested for Federal drug interdiction activities. Without adequate information on total interdiction resources, both agency management and congressional oversight of drug interdiction resources are difficult. Specifically, the Committee believes that the budget for all drug interdiction activities among the various Federal agencies with interdiction responsibilities should be broken out in the President's annual budget submission to the Congress.

Therefore, the Committee directs the Office of Management and Budget to prepare for inclusion in the fiscal year 1985 budget of the United States and the accompanying special analysis, a separate section which outlines in detail the total resources expended in fiscal year 1983, estimated for fiscal year 1984, and requested for fiscal year 1985 for Federal drug interdiction activities, including an agency-by-agency breakdown of their respective drug interdiction budgets for the three fiscal years mentioned above.

The Committee fully expects OMB to comply with this important directive and stands prepared to work closely with OMB in developing an appropriate format for reporting the drug interdiction budget in the official budget of the United States for fiscal year 1985.

CONSULTANT FEES

The Committee is most concerned about the costs incurred by the Federal Government for consultant fees. The Committee recognizes there is a legitimate need for consultants in certain instances; however, not to the degree which they have been utilized in past years. Continued efforts to bring this type of expenditure under control have been less than successful. The Committee is exasperated that its efforts to gain control of the situation have been thwarted in almost every instance.

Public Law 97–258 is explicit in its direction regarding reporting of consultant expenses. The law requires the head of each agency to include in its annual budget justification three criteria: (1) Amounts requested for consulting services; (2) the appropriations accounts from which the amounts are to be paid; and (3) a description of the need for the consulting services, including a list of major programs requiring those services. Some agencies have followed the letter of the law when the fiscal year budget justifications were submitted, however, a significant number failed to do so.

The scope of this bill reaches only so far, and it is obvious that no jurisdiction can be rendered over agencies where compliance has not been met. However, the Committee feels the Office of Management and Budget has the authority to gain control of this situation. The Committee, therefore, directs the OMB to insure that the requirements of current law are met and that every effort is made to reduce consultant fees in agencies where a reduction is warranted.

The Committee has included language in the general provisions that would reduce the level of consultant service spending by each agency in this bill by 10 percent.

MARKETING ORDERS

Marketing orders which are authorized under the Agricultural Marketing Agreement Act of 1937, have made valuable contributions to the stability of many of our agricultural commodity markets. In addition to assuring orderly markets for both producers and consumers, marketing orders have provided for quality control standards, research and promotional programs, and supply management programs.

The Agricultural Marketing Agreement Act of 1937 gave direct supervision and control over the management of marketing orders to the U.S. Department of Agriculture. The Office of Management and Budget has never been given any legislative authority over marketing orders. Recently, however, OMB has attempted to become involved in the management of marketing order programs through the President's Task Force on Regulatory Review. The purpose of this language is to reaffirm USDA's sole authority in an area where they have developed the necessary expertise and trained personnel over the years to effectively monitor and enforce agricultural marketing order programs.

Office of Information and Regulatory Affairs

SALARIES AND EXPENSES

1983 appropriation to date	....
1984 budget estimate	[1] $5,397,000
House allowance	....
Committee recommendation	5,397,000

[1] This was formally in Office of Management and Budget, salaries and expenses account.

The Committee recommends an appropriation of $5,397,000 for the Office of Information and Regulatory Affairs (OIRA). The OIRA has traditionally been funded under the Office of Management and Budget account, but the Committee has recommended that this Office be funded in a separate appropriation account in fiscal year 1984.

The Office of Information and Regulatory Affairs was established under the Paperwork Reduction Act of 1980 as the major agency for implementing the Federal Government's paperwork reduction effort. Under the act, the OIRA was to be established as a separate agency with a separate appropriation account so that it would not be vulnerable to resource transfers from its activities to other functions within the Office of Management and Budget. Although discussions within the Committee have occurred regarding the merits of providing a separate account for OIRA, until this year, the Committee has not acted upon the statutory requirement that a separate account be established. Therefore, in fiscal year 1984, OIRA will be funded in a separate account at the level that was recommended for this activity in the President's budget submission for OMB.

OFFICE OF FEDERAL PROCUREMENT POLICY

1983 appropriation to date	$2,400,000
1984 budget estimate	2,714,000
House allowance	2,714,000
Committee recommendation	2,556,000

The Committee recommends an appropriation of $2,556,000 for the Office of Federal Procurement Policy. The reduction of $158,000 can be attributed to the SLUC adjustment.

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

The Office of Federal Procurement Policy funds the Federal Acquisition Institute to serve as the interagency focal point for promoting and coordinating Government-wide planning, development, implementation, and evaluation of programs in procurement, research, education and training, and career development.

PROPERTY REVIEW BOARD

1983 appropriation to date	$445,000
1984 budget estimate	415,000
House allowance	....
Committee recommendation	415,000

The Committee recommends an appropriation of $415,000 for the Property Review Board in fiscal year 1984, the same as the budget estimate.

Executive Order 12348 of February 25, 1982, established the Property Review Board (PRB) to improve management of Federal real property.

The Board develops and reviews Federal real property acquisition, utilization, and disposal policies with respect to its relationship to other Federal policies. It also reviews conflicting claims on, and alternate uses for, any property described in surveys and reports made by or to the Administrator of General Services.

In addition, the Board is tasked with establishing for each executive agency annually the target amount of its real property holdings to be identified as excess.

Additionally, as deemed appropriate, the Board advises the President by submitting recommendations and reports.

The House denied the request in its entirety for the lack of an authorization. The Committee agrees with the House Committee that authorizing legislation is appropriate before funds are appropriated. However, the Committee believes the Board is fulfilling a very necessary service in the light of current property initiatives. Therefore, the Committee approves the budget request. The appropriation will fund a total staff of six permanent, full-time positions.

The Committee urges the administration to seek authorizing legislation for fiscal year 1985.

UNANTICIPATED NEEDS

1983 appropriation to date	$1,000,000
1984 budget estimate	1,000,000
House allowance	1,000,000
Committee recommendation	1,000,000

The Committee recommends an appropriation of $1,000,000 for unanticipated needs, the full amount of the fiscal 1984 budget request.

These funds enable the President to meet unanticipated needs in furtherance of the national interest, security, or defense. In calendar year 1982, allocations were made as follows:

South Florida task force	$50,000
AID global campaign on democracy	150,000
Private sector initiatives program	100,000

GENERAL PROVISIONS

SEC. 301. The purpose of this provision is to authorize the President, without regard to other provision of law, to appoint and fix the compensation of the Executive Director of the Property Review Board at a rate not in excess of executive level III. The need for this provision is to clarify the provision of section 123 of Public Law 97–377 that sought to accomplish the same objective. However, the Department of Justice has advised that the provision did not clearly state that the President could appoint someone to the position of Executive Director without the advice and consent of the Senate. Since it was not the intent of Congress that such advice and consent be given, this provision is a technical amendment that will clarify this situation legally.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

1983 appropriation to date	$1,100,000
1984 budget estimate	1,406,000
House allowance	1,406,000
Committee recommendation	1,100,000

The Committee recommends an appropriation of $1,100,000 for the Administrative Conference of the United States.

The Conference is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive departments in improving existing administrative procedure, including achievement of needed regulatory reform. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons. On the basis of such studies, the Conference issues formal recommendations for improvements and then encourages implementation of the recommendations through appropriate agency, congressional, or judicial action.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedures; collects, tabulates, analyzes, and publishes statistics from administrative agencies to identify and correct delays and other problems in the administrative process; and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

In recommending a reduction of $306,000 below the budget estimate for the conference, the Committee believes the conference can achieve these savings in personnel activities, travel, and especially other services. However, the Committee directs that within the total appropriation approved for fiscal year 1984, no reductions be made in the funding or staffing for the implementation of the Equal Access to Justice Act.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

1983 appropriation to date	$1,900,000
1984 budget estimate	2,020,000
House allowance	2,020,000
Committee recommendation	2,000,000

The Committee recommends an appropriation of $2,000,000 for the Advisory Commission on Intergovernmental Relations.

The Commission is an independent, bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts, and recommends ways of strengthening and improving the American Federal system. The Commission includes representatives of the executive, legislative, and administrative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

In recommending a reduction of $20,000 below the budget estimate, the Committee recommends that a cut of $20,000 be taken in special personal services pay, where an increase of $20,000 over 1983 is being requested.

CIGARETTE CONTRABAND ACT STUDY

The Committee directs the Commission to develop current estimates of State cigarette tax losses particularly those losses attributable to commercial interstate smuggling and recommend what actions the Federal or State governments can take to further reduce these losses.

ADVISORY COMMITTEE ON FEDERAL PAY

1983 appropriation to date	$200,000
1984 budget estimate	215,000
House allowance	215,000
Committee recommendation	215,000

The Committee recommends an appropriation of $215,000 for the Advisory Committee on Federal Pay.

The Committee was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee then prepares for the President an independent report with its findings and recommendations.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

1983 appropriation to date	$653,000
1984 budget estimate	687,000
House allowance	687,000
Committee recommendation	687,000

The Committee recommends the full budget request of $687,000 for the Committee for Purchase From the Blind and Other Severely Handicapped.

The Committee's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The Committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The Committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

FEDERAL ELECTION COMMISSION

1983 appropriation to date	$9,700,000
1984 budget estimate	10,000,000
House allowance	10,400,000
Committee recommendation	10,649,000

The Committee recommends an appropriation of $10,649,000 for the Federal Election Commission (FEC). This amount is $649,000 above the budget request and $249,000 above the House amount.

The Commission monitors compliance with the law relative to limitations on campaign expenditures and political contributions to provide for public financing of Presidential nominating conventions and Presidential primary elections and for other purposes relative to Federal elections.

The Committee has increased the appropriation above the request by $649,000. To maintain services at the 1983 level $10,538,522 would be necessary. The additional funding would be to upgrade the computer system, provide public information through the voting project and provide equipment for the Public Disclosure Division. The Committee recognizes that 1984 is a Presidential election year and that sufficient resources are necessary to carry out provisions of Federal election laws.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

CONSTRUCTION AND ACQUISITION OF FACILITIES

1983 appropriation to date	($71,415,000)
1984 budget estimate	(132,510,000)
House allowance	(132,510,000)
Committee recommendation	(90,710,000)

The Committee recommends a limitation of $90,710,000 for construction and acquisition of facilities in fiscal year 1984.

Under this account, space is acquired through direct federally financed construction of facilities, the extension of existing buildings, and direct purchasing of existing facilities. All costs directly attributable to Federal buildings fund construction projects for site acquisition, design, management and inspection, and construction are financed under this activity. Funds will provide for full funding of site design and construction of all projects except for the facility in Portland. Design in that project was funded in a previous year.

The Committee has approved the funding of the following projects:

Construction—Massachusetts, archives and Federal center, $1,621,000; Portland, Oreg., office building, $67,475,000; Knoxville, Tenn., office building, $16,490,000; Seattle, Wash., archives and record center extension, $3,525,000; and projects less than $500,000, $1,000,000.

Demolition—Los Angeles, Calif., warehouse, $559,000.

SAN LUIS BORDER STATION

The Committee is concerned that the construction of the San Luis Border Station has been met with unnecessary foot-dragging and delay by the General Services Administration. The San Luis Border Station was funded in Public Law 97-52, the continuing resolution for fiscal year 1982 ($6,866,000).

The original construction milestone schedule called for design work to start in October 1982, construction to begin by September 1983, and the project to be completed and the new station occupied in September 1984. Subsequently, following expressions of concern by the ranking minority member of the Treasury, Postal Service Subcommittee, GSA revised its estimates in March 1982, to show completion of the design-building contract by November 19, 1982, design-building contract award in March 1983, and completion of design, construction, and occupancy of the station by April 30, 1984. Then the Committee was informed that the completion of design, construction, and occupancy of the station would occur in December 1984. Finally, in April 1983, the ranking member of the Treasury, Postal Service Subcommittee was informed that the station would be ready for occupancy by September 1984.

The Committee sees no reason why the construction of this important border facility should take 3 years to complete, nor does it believe that sufficient justification has been given by GSA as to why its March 1982, revised estimate of an April 30, 1984, completion date for the station cannot be achieved. Therefore, the Committee directs the GSA to accelerate its work schedule and adjust its construction goals to reflect a milestone completion date of April 30, 1984, for the San Luis Border Station. The Committee expects to receive periodic reports on the progress of construction of the border station throughout the first two quarters of fiscal year 1984.

REPAIRS AND ALTERATIONS

1983 appropriation to date	($203,032,000)
1984 budget estimate	(74,662,000)
House allowance	(74,662,000)
Committee recommendation	(74,662,000)

The Committee recommends $74,662,000 for repairs and alterations in fiscal year 1984.

Under this activity, the General Services Administration (GSA) executes its responsibility for repairs and alterations of both Government-owned and leased facilities under the control of GSA.

The major goal of this activity is to provide commercially equivalent space to tenant agencies. Therefore, the state of repair, appearance, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1983 program is devoted to the basic work necessary to meet this goal and to keep the buildings in an occupiable condition. In addition, retrofit projects which will result in GSA-controlled, Government-owned buildings being more energy efficient are emphasized. Continued emphasis is being placed on the recycling of vacant and underutilized Government-owned space for occupancy.

New obligational authority is requested as follows:

Little Rock, Ark., post office/courthouse	$4,269,000
District of Columbia Liberty Loan Building	2,757,000
District of Columbia steam distribution system	886,000
Atlanta, Ga., Federal annex	9,193,000
New Orleans, La., Hebert Federal Building	611,000
Ogden, Utah, IRS	3,036,000
Total	20,752,000
Renovations and repairs of public buildings acquired by purchase	14,000,000
Projects less than $500,000	38,410,000
Nashville transfer project	1,500,000
Total	74,662,000

The jobs bill provided $125,000,000 for repairs to Federal buildings. A budget amendment has been received (H. Doc. 98–50) reducing the 1984 budget by that amount. The Committee has accepted that amendment insofar as it deletes projects which are not urgent at this time, but did not revert the funds to the Treasury because the funds are required for activities to be performed under the fund.

NASHVILLE UNION STATION

The House recommended the appropriation of an additional $1,500,000 for the Federal building fund to be available to transfer the Nashville Union Station to the metropolitan government of Nashville-Davidson County, Tenn., for preservation. The metropolitan government sold that property to the GSA for $1 several years ago. Since that time, the Federal Government has spent about $1,000,000 for repairing the building. General Accounting Office and the GSA Inspector General reports indicate conversion to office space is not economically feasible. The Committee agrees that the facility should be returned to the metropolitan government, and has recommended $1,500,000 for this transfer.

PURCHASE CONTRACT PAYMENTS

1983 appropriation to date	($159,971,000)
1984 budget estimate	(145,500,000)
House allowance	(145,500,000)
Committee recommendation	(145,500,000)

The Committee recommends a limitation of $145,000,000 for purchase contract payments.

Both the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972 enabled GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. These purchase contracts require the Government to make periodic payments on the facilities over varying periods until title is vested with the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired or to be acquired pursuant to both the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

The $14,471,000 reduction from fiscal year 1983 is due to decreases in principal and interest due to adjustments in repayment schedules.

RENTAL OF SPACE

1983 appropriation to date	($806,000,000)
1984 budget estimate	(880,500,000)
House allowance	(880,500,000)
Committee recommendation	(880,500,000)

The Committee concurs with the House and recommends a limitation of $880,500,000 for rental space.

The General Services Administration is responsible for all functions of leasing general purpose space and land incident thereto for Federal agencies, except for cases where GSA has delegated its leasing authority (e.g., the Departments of Agriculture, Commerce, and Defense may lease their own space under certain circumstances). GSA's basic policy is to lease privately owned buildings and land only when Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; when leasing proves to be more efficient than the construction or alteration of a Federal building; when construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or when completion of a new Federal building within a reasonable time cannot be assured.

The primary purpose of the Federal Buildings Fund is to make agencies responsible for the costs of the space which they occupy, and thus, cognizant of the need for significant economies in space use. to encourage such awareness, GSA has intensified its efforts to improve space utilization through issuance of guidelines for establishment of agency-managed utilization programs, through the development of new space allocation standards for each agency, and through the establishment of the space planning program to assist the agencies in their space assignment planning.

The FBF income was reduced by $342,000,000 in fiscal year 1983. This reduction was the direct result of the freeze placed on SLUC charges. This freeze resulted in a shortfall necessitating a reprograming to provide adequate funds to meet rental contract obligations. The Committee feels the freeze made a negative impact on the FBF and opposes such action in this fiscal year.

REAL PROPERTY OPERATIONS

1983 appropriation to date	($626,346,000)
1984 budget estimate	(686,500,000)
House allowance	(686,500,000)
Committee recommendation	(656,500,000)

The Committee recommends a limitation of $656,500,000 for real property operations.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and for building services in leased space in the GSA inventory where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payments for utilities, fuel, and other miscellaneous activities such as grounds maintenance, elevator operations, and day-to-day servicing of tenants' needs. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of the standard level user charge, just as in the private sector tenants pay rent for space and services provided by lessors.

In addition, this activity provides contractual expertise to meet the needs of the Public Buildings Service by administering major contracts and reviewing all PBS contracts to assure compliance with Federal procurement and GSA regulations.

The Public Buildings Service is responsible for furnishing building services in GSA-operated facilities including cleaning, protection, elevator operations, mechanical and electrical operation and maintenance, heating and air-conditioning, and other servicing of structural components and grounds maintenance.

PROGRAM DIRECTION

1983 appropriation to date	($91,607,000)
1984 budget estimate	(103,471,000)
House allowance	(103,471,000)
Committee recommendation	(100,000,000)

The Committee recommends the budget request of $100,000,000 for program direction.

This activity provides for the overall general management, long- and short-range planning, and administration of all programs which are the responsibility of the Public Buildings Service. In addition, this activity finances the costs of management and administration of each of the individual activities of the Federal Buildings Fund including construction, repairs and alterations, purchase contract payments, rental of space, and real property operations. It further provides for the costs of essential supporting services for these activities which are funded on a centralized basis.

This activity supports all Public Buildings Service personnel-related costs incident to the direct Federal Buildings Fund programs, with the exception of those costs incurred by employees engaged in the day-to-day operation, maintenance, and protection of facilities, which are reflected in the real property operations activity. The program direction activity finances personnel and other related support costs pertaining to (1) construction management services in support of the repairs and alterations and construction activities; (2) acquisition of leased space, and assignment and utilization of space in support of the real property operations and rental of space activities; and (3) long- and short-range planning and general overall management supervision for all activities of the Federal Buildings Fund. The Committee believes the reduction can be made in low priority projects.

REVIEW OF THE FEDERAL BUILDINGS FUND

The Committee has tried for a long period of time to garner control over the amount the Federal Government pays for space, either in owned or leased property. It has been the belief that agencies within the Federal Government should be held accountable for the space they occupy. Therefore, an amount is included within each agency's budget request to pay for the space.

The General Services Administration, pursuant to the Public Buildings Act of 1972 (Public Law 92-313), acts as the Government's landlord and builder. In contrast to other programs funded through a direct appropriation, the activities of the Federal buildings program are financed through a rent-like program paid by agencies and referred to as the standard level user charge (SLUC). These annual collections are deposited in the Federal buildings fund. Expenditures are made from this revolving fund for activities such as construction, alterations and repairs, rent, cleaning, utilities, protection, and other expenses associated with the operation and maintenance of Federal office buildings.

In 1979 the GSA collected $1,397,430,000. The amount requested in 1984 is $2,169,500,000, or a rate 23 percent higher than 1983. The rate in 1983 was frozen at the 1982 level. The Committee is concerned about the impact of the increase, but notes that the freeze accounts for a significant part of the increase.

As a consequence of the impact, the Committee reluctantly agrees with the House that the increase in 1984 be limited to 14 percent over last year. This action could cause similar problems to the one faced last year by the GSA. When freezes or limits are imposed, the revolving fund decreases. Therefore, actions the GSA takes for construction, repair, or maintenance are significantly affected, because expenditures are tied to revenues received without regard to actual requirements.

Under current law, the GSA bases the SLUC to commercial rates. A fair annual rental (FAR) appraisal is made on every building in the inventory each 3 years. The rates are actually more than actual costs because the surplus is intended to be used for future obligations.

The Committee has placed a limit on the increase of the SLUC during fiscal year 1984 at 14 percent. There are some agencies which have not been slated to receive an increase above the 14-percent limit. It is intended that those agencies should be charged at the rate projected in the budget.

Under current law, several problems have arisen. Several agencies have incurred incredible increases. An example is the Executive Office of the President. A significant percentage of the 1984 increase can be traced directly to the SLUC increase. The Executive Office of the President occupies space in the White House and both Executive Office Buildings. It is obvious these are prime locations and would likely demand high rental rates on the private, commercial market. It would, however, be quite unrealistic to move these functions far from the Oval Office.

Quite simply, it can be stated that a realistic assessment must be made and applied to the process. The Committee experience indicates that one approach might be to have each agency pay only for necessary costs of operation and that a direct appropriation be considered to pay for new construction, repairs and alterations, and new acquisitions.

It should be noted that the Committee is not critical of GSA's efforts. Under the provisions of the law, GSA is acting accordingly. It is apparent, however, that an adjustment must be made. The Committee, therefore, urges the appropriate legislative committees carefully review the Federal building fund and effectuate changes to provide a more cost-effective and efficient way to provide for and control Federal space requirements.

ACCEPTANCE OF REAL PROPERTY

The Committee concurs with the House in its remarks regarding the practice of the General Services Administration to accept donations of real property for which the Federal Government has no specific requirement, or on which uneconomical amounts of money must be spent to rehabilitate the property. The Nashville Union Station is a classic example. Therefore, the Committee directs that the GSA in the future not accept any real property unless it has an identifiable Federal requirement and can be rehabilitated economically.

GSA REORGANIZATION

The last several years, the Committee has expressed concern about the continual reorganizations taking place within the GSA. That is not to say that reorganization to provide economies and efficiencies is not desirable. However, the year-to-year reorganization causes severe problems to the House and Senate Committees when trying to formulate appropriation accounts. The Committee, therefore, urges the GSA to look at the need for year-to-year major reorganizations.

The table reflects the 1983 GSA reorganization:

GENERAL SERVICES ADMINISTRATION—1984 CROSSWALK FROM 1983

[In thousands of dollars]

Account	1983 continuing resolution	Pay supplemental action	Functional transfers between accounts	Increase/decrease from FY 1983	1984 request
Federal buildings fund	(2,091,473)	(2,275)	(719)	(−71,324)	(2,023,143)
Constr./acq. of fac	[1] (79,517)			(+52,993)	(132,510)
Repairs and alterations	[2] (328,032)			(−253,370)	[3] (74,662)
Purchase contr. pymts	(159,971)			(−14,471)	(145,500)
Rental of space	[4] (806,000)			(+74,500)	(880,500)
Real property oper	(626,346)			(+60,154)	(686,500)
Program direction	(91,607)	(2,275)	(719)	(+8,870)	(103,471)
Operating expenses:					
FSS	121,142	+2,000	+22,019	+9,978	155,139
TPUS	16,330		−16,330		
OIRM	27,663		+23,206	−1,735	49,134
NARS	86,000		−385	+1,490	87,105
FPRS	50,000	−2,700	−13,666	+7,105	40,739

See footnotes at end of table.

GENERAL SERVICES ADMINISTRATION—1984 CROSSWALK FROM 1983—Continued

[In thousands of dollars]

Account	1983 continuing resolution	Pay supplemental action	Functional transfers between accounts	Increase/decrease from FY 1983	1984 request
Stockpile transaction fund, budget authority					120,000
New obligational auth	120,000				
Salaries and expenses, GMA	120,000		-14,909	+22,144	[5] 127,235
Executive direction	8,570		+131	+628	9,329
Comp/org./pers./ovrst	99,101		-20,113	+14,756	93,744
Board of contr. appeals	1,472			+213	1,685
Legal services	6,991		-41	+727	7,677
Acquisition policy	3,866		-3	+69	3,932
Project control/ovrst			+5,117	+5,751	10,868
Inspector General	18,500	+700		+313	19,513
Former Presidents	1,106			+65	1,171
Total	560,741		-65	+39,360	600,036
Consumer Information Ctr	1,351		+65		1,416
Grand total	562,092			+39,360	601,452

[1] Includes proposed supplemental of $8,102 for claims.

[2] Includes $125,000 supplemental for jobs.

[3] Net of amendment returning $125,000.

[4] Includes $36,000 reprogramed from other activities.

[5] Excludes proposed legislation for transfer of $969 from OMB for the Federal Acquisition Institute.

PAYMENTS TO THE DISTRICT OF COLUMBIA

The Committee understands that the District of Columbia government has proposed that all customers of the Potomac Electric Power Co. pay for street lighting which is now paid by the D.C. government. This would increase the fuels and utilities budget of the Federal buildings fund by a significant amount. The FBF appropriation approved by this Committee contains no increase for this purpose; the Committee believes that the Federal payment to the District is the proper financing vehicle for such costs.

PERSONAL PROPERTY, OPERATING EXPENSES

1983 appropriation to date	
1984 budget estimate	$155,139,000
House allowance	155,139,000
Committee recommendation	153,939,000

The Committee recommends an appropriation of $153,939,000. This reduction reflects the SLUC adjustment.

This appropriation provides for governmentwide direction and coordination of a worldwide supply distribution system; management of supplies and personal property; transportation and travel management; vehicle fleet management; and property management activities for utilization, rehabilitation, and donation of Federal personal property.

1. *Supply.*—This activity provides for the operation of a worldwide supply system to contract for and distribute supplies and property to Federal agencies.

These activities include:

(*a*) A national supply distribution system of wholesale facilities through which commercial-type commodities are received, stored, and issued on a worldwide basis to customer agencies from GSA supply distribution facilities located in each of the 11 GSA regions and the fuel yard located in Washington, D.C. Self-service retail facilities provide administrative, office, and maintenance supplies and standard forms to Federal agencies. This includes operation of programs for: processing and control of agency requisitions; liaison with customers to increase the scope of supply and support rendered to the Federal agencies; management of personal property and validation of agency requirements; and proper inventory control and accountability systems. This program also operates the civil agency catalog activity and provides programs for commodity management and logistics data management.

(*b*) Contracting for commercial-type items required by Federal agencies and other authorized users. In addition to contracting and purchasing, this program selects commodities for inclusion in the stores, nonstores, and Federal supply schedules programs by determining the method of supply that is most economical and effective.

(*c*) Contract management to assure that vendors fully meet all terms and conditions of contracts, and that the quality of materials purchased complies with requirements of those contracts. Timely delivery of commodities of specified quality is assured by inspection and surveillance at contractors' plants or GSA supply facilities, by laboratory tests and analyses prior to acceptance, and by contract administration assistance.

(*d*) Commodity centers responsible for nationwide management of their respective commodities including contracting, inventory management, engineering, and contract management. These centers are tools, furniture, automotive, and general products.

2. *Transportation.*—This activity provides a comprehensive governmentwide program for transportation and travel management, operation, and maintenance of motor equipment to meet the requirements of Federal agencies, development and execution of the automotive procurement function of the Government. Vehicle procurement functions and oversight responsibilities in direct support of the interagency motor pool system are financed through the general supply fund.

3. *Property management.*—This activity plans, directs, and coordinates on a worldwide basis programs and activities relating to maximum utilization of excess personal property; rehabilitation and reclamation of personal property; the transfer of surplus personal property for donation to the States and local organizations for public purposes and other purposes; and the disposal of excess Federal personal property (except DOD property) by sale.

Reimbursable operations.—Various services are provided to other Government agencies on a fully reimbursable basis. The primary services provided involve packing and packaging of items for shipment to overseas destinations. Other services include support for CENPRO (centralized procurement) under the United States/Saudi Arabian Joint Economic Corporation.

This account provides a worldwide supply distribution program involving the receipt and issuance of commercial-type items and centralized contracting to meet Federal agencies needs. As a result of a functional realinement within GSA, this account also provides for transportation and travel management; vehicle fleet management; and utilization, rehabilitation, donation, and disposal activities involving personal property. The 1984 request amount includes resources from functional transfers from other GSA accounts as follows:

Transportation activities	+$9,612,000
Personal property activities	+13,458,000
Other miscellaneous transfers	−1,051,000
Total transfers	+22,019,000

A program increase of $9,978,000 is requested in fiscal year 1984 over fiscal year 1983.

The Committee allows the 3,816 positions requested for 1984, an increase of 64 over the 3,752 authorized for 1983.

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

1983 appropriation to date	$86,000,000
1984 budget estimate	87,105,000
House allowance	93,105,000
Committee recommendation	90,805,000

The Committee recommends an appropriation of $90,805,000, an increase of $3,700,000 above the fiscal year 1984 budget request. The SLUC adjustment accounts for a $300,000 reduction from the budget request.

This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, and grants for historical publications, and for the review for declassification of all security classified information as it becomes 20 years old.

In 1982, records in the National Archives and Federal Records centers will total approximately 16 million cubic feet. The number of reference services expected to be provided will total 24 million.

The House recommended an appropriation of $93,105,000; $6,105,000 above the budget request. Of that increase $3,000,000 was earmarked by the House for the national historical publications and records grant program.

The Committee has recommended an appropriation of $4,000,000 for the National Historical Publications and Records Commission (NHPRC) grant program, but has made this appropriation contingent on the passage of authorizing legislation which would reauthorize the grant program.

The Committee has learned that passage of authorizing legislation may occur in the near future, and, therefore, has appropriated funds for this important grant program in this bill. The Committee has recognized the value of the NHPRC grant program by appropriating funds in fiscal year 1982 and in the current fiscal year in the absence of an authorization and does not want to discontinue funding for the program when the likelihood of an authorization passing in the Congress is imminent.

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

1983 appropriation to date	$50,000,000
1984 budget estimate	40,739,000
House allowance	40,739,000
Committee recommendation	37,339,000

The Committee recommends an appropriation of $37,339,000. The SLUC adjustment accounts for the $3,400,000 reduction below the estimate and added to the request makes the account $12,661,000 below fiscal year 1983.

This appropriation funds staff for the acquisition, administration, and disposal of national defense stockpile inventories; administration and disposal of the Defense Production Act inventory; and utilization and disposal of excess and surplus real property in 1984.

The estimate for 1984 provides for storage, maintenance, and inspection of stockpile materials; disposal of those stockpile materials excess to objectives and the acquisition of materials needed to meet objectives; the appraisal of real property; and continuing emphasis on reuse of existing real property to extend its useful life.

1. *Stockpile management.*—This activity manages the national defense stockpile of strategic and critical materials required to keep the Nation's mobilization base viable. It includes costs of receiving, storing, inspecting, and maintaining the material in storage locations.

2. *Stockpile transactions.*—This activity develops and implements plans and programs to acquire and dispose of stockpiled materials in accordance with statutory provisions. It includes the collection of technical, economic, and marketing data and an analysis of factors such as supply, demand, consumption, prices, specifications, and quality; these activities support the development of marketing and acquisition plans and programs, which are then implemented by the conduct of transactions in the commodities market.

3. *Real property.*—This activity promotes maximum utilization of real property by Federal agencies and the transfer among agencies of excess real property. It provides for the disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition. It also provides for the appraisal of excess and surplus property, necessary environmental and cultural analyses, disposition and predisposition reuse planning, and real property utilization surveys.

4. *Personal property.*—This activity was transferred to the operating expenses, personal property appropriation effective in 1983.

The 1984 request includes resources for functional transfers from other GSA accounts as follows:

Personal property activities	–$13,458,000
Other miscellaneous administrative functions	–208,000
Total transfers	–13,666,000

The Committee allows the 534 positions requested for 1984, the same number as authorized for 1983.

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

(Limitation on Availibility of Revenue)

1983 appropriation to date	($120,000,000)
1984 budget estimate	120,000,000
House allowance (limitation)	(120,000,000)
Committee recommendation	(120,000,000)

The Committee recommends a limitation of $120,000,000. By recommending a limitation, rather than a direct appropriation, the Committee recommendation is $120,000,000 below the budget request.

This fund was established by the Strategic and Critical Materials Stock Piling Act (Public Law 96–41) approved July 30, 1979, to finance the acquisition of strategic and critical materials and related transportation costs out of receipts from disposal sales of excess stockpile materials and to provide for the rotation of any material in the stockpile when necessary to prevent deterioration by replacement of the material with an equivalent quantity and substantially the same material.

This act was amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) which provided for: (1) payment of incidental expenses related to acquisition of materials; (2) availability of funds until expended unless otherwise provided in appropriation acts; (3) a limitation on the fund balance; and (4) requirements for certain plans and reports to be submitted to Congress.

The purpose of this fund is to provide for the acquisition of certain strategic and critical materials to preclude the dependency of the United States upon foreign sources for supplies of such materials in times of a national emergency. Related operating expenses are provided under the appropriation Federal Property Resources Service, operating expenses.

The language in the fiscal year 1984 appropriations act for the national defense stockpile transaction fund continues the limitation on the availability of revenue from this revolving fund in the amount of $120,000,000 from funds received in the fund from disposal sales of excess stockpile materials and makes it available until expended, for acquisition of strategic and critical materials and for transportation and other incidental expenses related to such acquisitions. Limitations on availability of revenue in the fund will be as provided in annual appropriation acts. The continued change in the appropriation language for this fund from previous years constitutes the provision of an obligational authority limitation instead of an appropriation of budget authority from moneys received from disposals of excess stockpile materials. The same degree of congressional oversight and control will be maintained without requiring the budget considerations for this fund to be subject to budget authority ceilings in concurrent budget resolutions of the House and Senate.

The Committee notes that the Bureau of Government Financial Operations Legal Counsel, in a legal opinion dated February 23, 1983, determined that the national defense stockpile transaction fund was, in fact, changed from a special fund into a revolving fund by last year's appropriation act (Public Law 97-377). The Committee agrees with that legal opinion and requests that the administration submit the budget request accordingly.

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

1983 appropriation to date	$120,000,000
1984 budget estimate	127,235,000
House allowance	127,235,000
Committee recommendation	123,635,000

The Committee recommends an appropriation of $123,635,000, an increase of $3,635,000 over fiscal year 1983. The SLUC adjustment totals $3,600,000.

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, his Deputy, 11 regional administrators, and congressional and external affairs; agencywide acquisition policy, planning, and coordination; and financing of administrative and financial services on a centralized and integrated basis for all GSA programs.

1. *Executive direction.*—Directs the execution of all functions assigned GSA by the Federal Property and Administrative Services Act of 1949, as amended, and the reorganization plans of the President. Maintains close coordination with Small Business Administration on national minority business proposals and contracts, assuring they receive a fair share of department's business. Formulates agency policy regarding management matters and pursues large-scale management improvement initiatives.

2. *Comptroller, organization and personnel, and oversight.*—Provides centralized budgeting, financial management, accounting, and planning for GSA. Plans, directs, and implements all activities related to personnel management, including labor-management relations, training, position management, and personnel documentation; conducts management and analytical studies of GSA organizations; directs the GSA mobilization, emergency relocation, and national civil defense planning program, including coordination of support services to other agencies. Oversees implementation of audit reports from the Office of Inspector General and GSO; and coordinates all activities related to administrative management. This activity is also responsible for the postpayment audit of Government transportation bills, including payments to commercial audit firms, and for settling transportation claims by and against the Government. Also provides accounting services to the Department of Justice in defense of Indian tribal claims against the Government.

3. *Board of Contract Appeals.*—In accordance with the Contract Disputes Act of 1978, the Board has jurisdiction over any dispute relating to a contract for the provision of goods and services to the Government, inclusive of, but not limited to, disputes clause cases concerning contract performance; appeals of disappointed bidders; and proposed debarment or suspension actions.

4. *Legal services.*—Covers the fields of real property, personal property, archives and records, automated data and telecommunications, transportation and public utilities, stockpile acquisition and disposal, and finance and administration.

5. *Acquisition policy.*—Oversees the implementation of GSA-wide acquisition, supply, and storage management policies, and insures implementation, through surveillance and performance of acquisition management reviews. This Office is the primary point of contact with the Office of Federal Procurement Policy; administers the Federal procurement regulations; and prepares legislation for the agency acquisition program. In 1984, this Office will be assuming the functions of the Federal Acquisition Institute.

7. *Project control and oversight.*—Major responsibilities of this activity are contract review and clearance; contract assurance and compliance; small and disadvantaged business counseling; and processing EEO complaints.

A number of functions were transferred to and from the GMA appropriation as part of the GSA reorganization:

Transfers from FSS	+950
Transfers from TPUS	+6,819
Transfers to ADTS	−22,831
Transfers from NARS	+10
Transfers from FPRS	+208
Transfers to CIC	−65

SUMMARY OF BUDGET INCREASES

$5,400,000 for auditing postpayment transportation bills;

$3,540,000 to automate outdated manual payroll operation;

$5,823,000 for new budget authority for transfers from the FBF—this is an ongoing program and staffing is currently on board;

$359,000 for increased workload and new initiatives in General Counsel;

$631,000 for anualization of new personnel information resources system;

$1,931,000 for miscellaneous increases, communications, utilities, pay raise, et cetera, offset by reductions in FAR printing and contract for ADP services.

OFFICE OF INFORMATION RESOURCES MANAGEMENT

OPERATING EXPENSES

1983 appropriation to date	....
1984 budget estimate	$49,134,000
House allowance	49,134,000
Committee recommendation	47,434,000

The Committee recommends an appropriation of $47,434,000. The SLUC adjustment accounts for the Committee's reduction.

This appropriation provides for the overall direction and coordination of comprehensive governmentwide programs for the management, procurement, and utilization of automated data processing, telecommunications, and office information equipment and services. It provides for the development and coordination of governmentwide policies, procedures, and regulations pertaining to ADP, telecommunications, and office information systems acquisition, management, and utilization; provides for establishment of governmentwide automated data processing standards; provides information services to the public; and provides for the overall management of operations financed through the automated data processing (ADP) fund and the Federal telecommunications (FT) fund.

1. *Federal information resources management.*—This activity develops, plans, and directs governmentwide programs for the management and acquisition of Federal information resources. Develops and monitors governmentwide policies and regulations relative to the acquisition, management, and use of information resources. Plans, directs, and develops policies and regulations for improving Federal records and information management programs. Provides reimbursable technical assistance to Federal agencies on records and information problems.

2. *Central information services.*—This activity manages and directs data and information systems; provides data and information services; operates programs for the improvement of governmentwide software; and provides near-term planning, applied research and development, engineering, operation, and management of the Federal telecommunications system (FTS).

In 1984, the Federal domestic assistance program, will be transferred from the Office of Management and Budget to the General Services Administration. This action will consolidate responsibility for information that is available to prospective applicants on Federal domestic assistance programs.

3. *Information resources procurement.*—This activity provides for the overall management, control, and coordination of governmentwide programs and activities relating to the procurement of ADP and telecommunications equipment, software, maintenance, and related supplies and services; the implementation of governmentwide ADP resources sharing programs; and the management of reimbursable ADP and telecommunications procurement programs financed through the automated data processing (ADP) fund and the Federal telecommunications fund.

4. *Regional information services.*—This activity is the focal point for OIRM regional activities; provides for the overall management, control, and coordination of governmentwide programs and activities relating to

the operation, maintenance, and utilization of local telecommunications equipment and services; provides for the management of reimbursable programs financed through the Federal telecommunications fund; and provides assistance to the public through the Federal Information Centers.

5. *GSA information systems.*—This activity develops and oversees GSA policy concerning the acquisition, development, and use of automated information systems, equipment, and facilities within the guidelines established by the Executive Steering Committee for Information Resources Management; it insures that the GSA ADP strategic plan is kept current; and that initiatives undertaken are consistent with the plan; develops and enforces standards and procedures to be used by GSA organizations in the central and regional offices in the acquisition, development, and use of automated information systems, equipment, and facilities; provides assistance and support to GSA organizations whose level of ADP activity does not warrant a full-time ADP staff, or to those who require support of a special nature; and manages internal common-use ADP and data communications facilities.

The Committee allows the 880 positions requested for 1984, an increase of 21 over the authorized level for 1983.

OFFICE OF THE INSPECTOR GENERAL

1983 appropriation to date	$18,500,000
1984 budget estimate	19,513,000
House allowance	19,513,000
Committee recommendation	19,513,000

The Committee recommends an appropriation of $19,513,000 for the Office of the Inspector General.

The Office of Inspector General (OIG) implements in its entirety the provisions of the Inspector General Act of 1978.

Prior to the establishment of the Office of Inspector General, the unique disciplines of auditing, investigations, and inspections were disparate by functional as well as organizational separation. The implementation of the Inspector General concept within the General Service Administration (GSA) provided the ability to organize these disciplines and activities as multidisciplinary, programmatic teams and task forced independent from the influence of services and staff offices. According to GSA testimony in the past, the limited staffing resources assigned to the Office of Audits have seriously curtailed audit programs. Many agency programs have not been audited on a recurring basis within acceptable audit timeframes and many contracts not audited at all, simply because manpower and resources were unavailable. The Inspector General believes that successful prevention of fraud, waste, and gross mismanagement within GSA requires that a visible, active, and effective audit posture be maintained. This audit posture must be capable of assessing internal management deficiencies, inadequate systems of control, and defective contracts and contracting procedures on a recurring basis. The cycle for conducting such audits, as well as to maintain an effective program of audit followup, should coincide insofar as possible with management planning schedules of the agency.

The Inspector General's Office consists of an Office of Audits, an Office of Investigations, an Office of Inspection, and an Office of Special Projects.

The Committee is deeply concerned to learn that the budget of the Inspector General at GSA has been relegated to review by a Budget Review Board that has among its members, GSA administrators whose operations are currently under audit and investigated by the Inspector General. For example, the Associate Administrator for Operations, a member of the Board that passes judgment on Inspector General resources, has elements of his agency within his jurisdiction that are currently undergoing a total of 250 Inspector General audits, each of which could eventually come to his attention for resolution. The Committee understands that there are also 486 open investigations regarding persons or activities within his supervisory jurisdiction. Furthermore, the Committee has learned that one of the Board members himself is a subject of a pending Inspector General investigation.

The Committee is not passing judgment on any of the pending Inspector General investigations or audits, nor the individuals on the Board or elsewhere in GSA who may be under review by the Inspector General. However, the Committee believes that to ask a panel of GSA officials whose programs and operations are and could, in the future, be the subject of regular investigation by the Inspector General, to pass judgment on the OIG budget is inappropriate and borders on a conflict of interest. Furthermore, the Committee believes that it would be unfair to the Board members to be put in the uncomfortable and untenable position of reviewing the budget of the very investigative office which is auditing and investigating their activities. The Committee believes that the Inspector General's Office and operations should undergo the most careful review and scrutiny by the Office of the Comptroller at GSA, the Assistant Administrator for Plans, Programs, and Financial Management, and the budget officials under his direction, as has been the procedure up until the start of the fiscal year 1985 budget review process. The Inspector General should have to justify every dollar that is requested for his programs before the appropriate budget officials, but not before a panel consisting of on-line program administrators whose operations are constantly reviewed by the Inspector General.

The Committee has been on the record in the past regarding the need for an independent, objective Inspector General in GSA and the need for a separate budget appropriation for the Office of Inspector General. The Congress, in enacting the Inspector General Act of 1978 clearly intended for inspector general offices to be independent and objective units and placed in the respective agencies in a position to manage their investigative programs without fear of retaliation from their agencies. Furthermore, under the act, inspector general offices were to be placed in positions where they would be accountable only to the head of the agency or deputy, if delegated that authority. It would appear that subjecting the Inspector General budget at GSA to scrutiny by program officers whose programs are subject to review by the Office of Inspector General conflicts with the spirit and intent of the Inspector General Act of 1978 and should not be done.

Therefore, the Committee recommends that the Administrator of GSA reconsider his decision to subject the Office of Inspector General budget to review by a GSA review board which contains members who have no authority over Inspector General matters and whose operations could be the subject of OIG investigation. The Committee believes that the historical budget review process that has been used to scrutinize the OIG budget has worked well and should be the procedure followed in order to assure the independence of the GSA Inspector General.

ALLOWANCE AND OFFICE STAFF FOR FORMER PRESIDENTS

1983 appropriation to date	$1,106,000
1984 budget estimate	1,171,000
House allowance	1,171,000
Committee recommendation	1,171,000

The Committee recommends the budget request of $1,171,000 for allowances and office staff for former Presidents.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford, and Jimmy Carter, and for pensions and postal franking privileges for the widow of former President Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 1984 budget request:

FORMER PRESIDENTS, FISCAL YEAR 1984

	Nixon	Ford	Carter	Widows	Jackson Place	Total
Personnel compensation	$96,000	$96,000	$113,000			$305,000
Personnel benefits	10,000	10,000	11,000			31,000
Pensions	80,100	80,100	80,100	$20,000		260,300
Travel	34,000	34,000	34,000			102,000
Rents, utilities, communications:						
Equipment rental/depreciation	3,500	1,000	500			5,000
Telephone	32,400	35,400	36,900			104,700
Postage	4,500	12,000	12,000	2,500		31,000
SLUC	75,000	57,000	69,000		$63,000	264,000
Printing	4,000	5,000	5,000			14,000
Other services:						
Commercial contracts, etc	10,000	8,000	10,000			28,000
Supplies and materials	8,000	9,000	9,000			26,000
Total appropriation	357,500	347,500	380,500	22,500	63,000	1,171,000

The Committee directs the GSA to continue to carefully monitor the expenditures made under this account and to disallow all expenditures which are not consistent with the purposes of the appropriation.

No positions are funded directly by this appropriation.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

APPROPRIATION

1983 appropriation to date	$100,000,000
1984 budget estimate	110,546,000
House allowance	110,546,000
Committee recommendation	107,046,000

The Committee recommends a direct appropriation of $107,046,000 for the salaries and expenses of the Office of Personnel Management.

LIMITATION

(TRANSFER OF FUNDS)

1983 appropriation to date	($44,652,000)
1984 budget estimate	(48,572,000)
House allowance	(48,572,000)
Committee recommendation	(48,572,000)

The Committee recommends a limitation of $48,572,000, the full amount of the fiscal year 1984 budget request and the House level.

These funds would be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs. Of the total amount recommended, $39,300,000 would be transferred from the civil service retirement and disability fund; $900,000 from the employees life insurance fund; $8,300,000 from the employees health benefits fund; and $100,000 from the retired employees health benefits fund.

The 1984 direct appropriation of $107,046,000 recommended by the Committee is to carry out the program responsibilities of the Office of Personnel Management. These responsibilities include working with Federal agencies to assure the efficient and effective implementation of Federal personnel laws and regulations, assisting State and local governments in improving their personnel management systems, and supporting a number of other functions assigned to the OPM by law or Executive order.

The reduction below the budget estimate should be applied by the Director of OPM to lower priority activities such as travel and other services.

The Office of Personnel Management is responsible for positive personnel management functions which include the following activities:

1. Staffing services. This activity consists of: (*a*) recruiting; (*b*) examining; (*c*) assuring suitability; and (*d*) developing classification standards.

2. Compensation. The OPM administers compensation and benefits programs for the Federal work force. These include: the civil service retirement and disability fund, the employees life insurance fund, and the retired employees health benefits fund.

3. Work force effectiveness and development. This activity includes: (*a*) Federal productivity program; (*b*) affirmative employment programs; (*c*) performance appraisal implementation; and (*d*) training assistance.

4. Agency relations. This activity includes: (*a*) personnel management evaluations; (*b*) agency classification reviews; and (*c*) work force information.

5. Executive personnel. This activity includes: (*a*) executive personnel oversight and guidance; (*b*) executive staffing and mobility; and (*c*) executive position management.

6. Labor-management relations. This activity consists of providing leadership in implementing the Federal Government's labor-management relations program.

7. Other programs. This activity includes: (*a*) administering the Voting Rights Act of 1965; (*b*) providing administrative support to the President's Commission on Executive Exchange and White House fellows; (*c*) carrying out provisions of the Ethics in Government Act of 1978; (*d*) evaluating the Civil Service Reform Act; (*e*) conducting research and demonstration projects; (*f*) supplying ADP services to external users on a reimbursable basis; and (*g*) providing executive direction and administrative support to OPM programs financed through other budgetary accounts on a reimbursable basis.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

1983 appropriation to date	$1,342,610,000
1984 budget estimate	1,506,339,000
House allowance	1,506,339,000
Committee recommendation	1,506,339,000

The Committee recommends an appropriation of $1,506,339,000 for Government payments for annuitants, employees health benefits.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the Government's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the Employees Health Benefits Fund and Retired Employees Health Benefits Fund. These trust revolving funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

1983 appropriation to date	$3,598,838,000
1984 budget estimate	3,908,490,000
House allowance	3,908,490,000
Committee recommendation	3,908,490,000

The Committee recommends an appropriation of $3,908,490,000 for payment to the civil service retirement and disability fund.

The payment to the civil service retirement and disability fund includes the appropriation and the permanent indefinite authorization required to provide for the contribution of the Government's share of retirement costs.

The civil service retirement and disability fund was created to provide annuities for eligible employees who retire because of age and service or disability, and benefits to eligible survivors of employees who died in service or after retirement. In fiscal year 1984, membership in the civil service retirement system will consist of 2.7 employees and about 2 million retired employees and survivors who will receive benefits totaling over $22,000,000,000 annually.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

1983 appropriation to date	$18,760,000
1984 budget estimate	19,622,000
House allowance	19,622,000
Committee recommendation	19,622,000

The Committee recommends an appropriation of $19,622,000 for the Merit Systems Protection Board.

Created by Reorganization Plan No. 2 of 1978, the Merit Systems Protection Board assumed responsibility for the adjudicatory functions of the former Civil Service Commission. These functions include adverse action, reduction-in-force appeals, and retirement and overpayment appeals for the civil service trust funds. In support of this appeals program, the Board will report to the President on whether merit systems are sufficiently free from prohibited personnel practices to protect the public interest.

The Merit Systems Protection Board is responsible for implementing the provisions of sections 1201 through 1209 of the Civil Service Reform Act of 1978.

Specifically, the major functions of the Board, as detailed in the Reform Act, are to (1) hear, adjudicate, or provide for the hearing or adjudication of all matters within the jurisdiction of the Board; (2) order any Federal agency or employee to comply with any order or decision issued by the Board under its authority, and enforce compliance with any such order; (3) conduct, from time to time, special studies relating to the civil service and to other merit systems in the executive branch, and report to the President and to the Congress as to whether the public interest in a civil service free of prohibited personnel practices is being adequately protected; and (4) review, under its authority, rules and regulations of the Office of Personnel Management.

The Committee joined with the House of Representatives recommendation to add $600,000 to the $1,000,000 fiscal year 1983 supplemental request. The Board assured both Committees that the additional funding would enable it to significantly reduce the case backlog created by the air traffic controller claims.

LIMITATION

(TRANSFER OF FUNDS)

1983 appropriation to date	($700,000)
1984 budget estimate	(700,000)
House allowance	(700,000)
Committee recommendation	(1,200,000)

The Committee recommends a limitation of $1,200,000.

Currently, the Board's reimbursable authority is fixed at a level of $700,000 based on projected case receipts of 800 to 900 per year. However, cases received and processed during fiscal year 1983 have already exceeded 1,050 and, by June 1983, the costs associated with the adjudication of these claims have exceeded the current reimbursable limitation. As a result, any additional expenditures in this area must be drawn from the Board's regular appropriated funds which would then detract from the Board's ability to handle its huge backlog of other cases. If appropriated funds were not used, the case backload would be pushed to next year.

OFFICE OF SPECIAL COUNSEL

1983 appropriation to date	$4,000,000
1984 budget estimate	4,419,000
House allowance	4,419,000
Committee recommendation	4,359,000

The Committee recommends an appropriation of $4,359,000 for the Office of Special Counsel. The SLUC charge accounts for the reduction.

Reorganization Plan No. 2 of 1978 established the Office of the Special Counsel, Merit Systems Protection Board. The Special Counsel is empowered to investigate prohibited personnel practices in Federal agencies and political activities prohibited by the Hatch Act by Federal, State, and local employees and to administratively prosecute offending employees and agencies before the Board. The Special Counsel may also transmit "whistleblower" allegations to the agency head concerned and require an agency investigation and a report thereon to the Congress and the President when found appropriate.

FEDERAL LABOR RELATIONS AUTHORITY

1983 appropriation to date	$15,500,000
1984 budget estimate	16,695,000
House allowance	16,695,000
Committee recommendation	16,695,000

The Committee recommends an appropriation of $16,695,000 for the Federal Labor Relations Authority.

The purpose of the Authority is to serve as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations Statute, and decide major policy issues, prescribe regulations, and disseminate information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the Federal Labor Relations Authority gives full recognition to the role of the Federal Government as an employer.

1. Adjudication. The Authority adjudicates labor-management disputes in the Federal sector including: appeals on negotiability issues; exceptions to arbitration awards; appropriate units for the purposes of exclusive recognition; eligibility of labor organizations for national consultation rights and unfair labor practice complaints.

2. Hearings. This activity provides for holding hearings on unfair labor practice complaints, issuing reports, and making recommendations to the Authority on each case to allow timely settlement of disputes arising between agencies and unions.

3. Office of the General Counsel. As the investigative and prosecutional activity of the Authority, this function includes: supervision of elections to determine exclusive recognition and certification of results; investigation of questions of representation and unfair labor practice charges; and prosecution of unfair labor practice complaints, and review of appeals of dismissals of unfair labor practice charges.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

1983 appropriation to date	$14,000,000
1984 budget estimate	16,871,000
House allowance	16,871,000
Committee recommendation	15,165,000

The Committee recommends an appropriation of $15,165,000 for the U.S. Tax Court. The sum is $1,706,000 below the budget request and the House total. Of that total, the SLUC limitation accounts for $853,000.

The U.S. Tax Court is an independent judicial body, the membership of which is composed of a chief judge and 18 judges. The Tax Reform Act of 1969 changed the status of the Court from an independent agency in the executive branch to a court of record under article I of the Constitution of the United States.

Decisions by the Court are reviewable by the U.S. courts of appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases assigned to them by the chief judge. During fiscal year 1982, 5 senior judges and 13 special trial judges will be serving on the Court.

The Court conducts trial sessions throughout the United States, including Hawaii and Alaska.

STATEMENT CONCERNING GENERAL PROVISIONS

This bill carries a number of general provisions, some of which are routine and have been carried for a number of years, and some are proposed for the first time this year.

Those general provisions that deal with a single agency only are shown immediately following that agency's appropriation in the accompanying bill. Others that deal with all of the agencies provided for in this bill are shown under title V, and those general provisions that are governmentwide in scope are shown under title VI of the accompanying bill.

The Committee has continued all the general provisions contained in the 1980 Appropriations Act except the Sense of the Congress Resolution about the proceeds of the sale of former President Nixon's San Clemente residence.

In fiscal years 1981, 1982, and 1983 there was no separate Treasury, Postal Service and General Government Appropriation Act. Funding was provided under a series of continuing resolutions. In these resolutions, the general provisions carried in the 1980 Appropriation Act (Public Law 96-74) were continued.

TITLE V—GENERAL PROVISIONS

THIS ACT

The Committee has maintained several sections which were included in title V in last year's bill. (Sec. 501, 502, 503, 504, 505, 506). The new sections:

SEC. 507. Prohibits procurement of certain stainless steel flatware not produced in the United States.

SEC. 508. Protects certain GSA positions held by veterans from contracting out procedures. Allows contracting to sheltered workshops.

SEC. 509. Prohibits mandatory labeling of wine, distilled spirits, and malt beverages.

SEC. 510. The Committee has recommended language in the bill that would grant the Customs Service limited authority to conduct border-related, drug investigations relative to interdiction cases in coordination with the Attorney General.

Under Reorganization Plan No. 2 of 1973, the Department of Justice was given the primary responsibility for drug enforcement and DEA was created as the lead agency. Under the plan, the Customs Service would not conduct followup drug investigations, DEA would perform followup investigations of both Customs and Coast Guard drug interdiction arrests and present the case to the U.S. attorney for prosecution. Disputes over the interpretation of the Reorganization Plan of 1973 regarding Customs' authority to conduct followup investigations, including several court cases, have persisted since that time, and left considerable question as to the respective roles of DEA and Customs in conducting followup drug interdiction investigations. This confusion over Customs' role in conducting investigations after drug seizures have been made, has resulted in a number of critical drug interdiction investigations falling through the cracks without followup or prosecution.

Because DEA generally investigates only interdiction cases that are acceptable to U.S. attorneys for prosecution, many important interdiction cases are not investigated at all after the arrest is made by Customs or Coast Guard. The Committee concurs with the General Accounting Office in its most recent report on drug interdiction problems (GAO/GGD–83–52, June 13, 1983), that "information gleaned from interdiction cases can be valuable to develop conspiracy investigations or provide intelligence for future interdiction efforts. Although individually, many of the seizures provide an insufficient base for a major investigation, by analyzing patterns of ownership on seized vessels and aircraft and developing other information, drug seizures can be linked to persons profiting from the trafficking."

However, although DEA has the responsibility to investigate interdiction cases, DEA officials have indicated that they would rather focus their scarce resources on cases involving major violators—not lower level drug smugglers. Under the current division of responsibilities, DEA conducts followup investigations on the Coast Guard's or Customs' arrestees. DEA usually performs followup investigations only if the cases (less than 40 percent of Customs patrol and Coast Guard cases) will be prosecuted by a U.S. attorney, according to the General Accountng Office report of June 13. Consequently, information, which could be of value to future investigations, is not being obtained in the majority of the interdiction cases. In fact, according to GAO data, 85 percent (47,673) of the 56,017 persons that Customs and the Coast Guard arrested from fiscal year 1977 through June 1982 for drug violations were not prosecuted in Federal courts.

In recognition of the problems associated with followup investigations of interdiction cases, a joint DEA/Customs task group was formed in south Florida as a part of the South Florida Task Force operation under the Vice President's direction. The group was established to investigate interdiction cases, and the Attorney General, in March 1982, granted limited authorization to Customs' officers, working under DEA guidance, to investigate drug smuggling cases. Subsequently, Customs indicated that followup investigations pursuant to the Attorney General's grant of authority, had resulted in the development of 70 new informants, the opening of 77 new investigative cases, and the arrests of an additional 114 individuals and seizures of drugs, vessels, aircraft, firearms, and cash. The success of the South Florida Task Force in increasing drug interdiction arrests and seizures is well documented and, to a great extent, the success of the south Florida effort is due to the thorough followup investigations conducted by Customs. The Committee understands that negotiations have been underway between the Justice Department and Customs on extending the task group investigative concept to other parts of the country. In responding to the General Accounting Office report, the Treasury Department said, "the followup drug interdiction investigations done in all interdiction cases as a part of the South Florida Task Force have developed significant cases which have impacted, in a positive way, against drug smugglers and drug trafficking operations."

The Committee believes that, at a time when the President, the Vice President, and the Attorney General, and the Congress are joining forces in a major assault on the drug smuggler, it is critical that our civilian drug interdiction agencies have the necessary tools to make arrests, seize drug smuggler assets, and follow through on investigating drug interdiction cases. In this regard, the Committee believes that the country can no longer afford to allow the question of followup, drug interdiction, investigative authority to fester as an unresolved issue in the Federal law enforcement community. Therefore, the Committee, after careful and serious analysis, has recommended language in the bill that woud provide the U.S. Customs Service with limited authority to conduct followup, border-related drug interdiction investigations. Specifically, the language in the bill provides:

1. The Secretary of the Treasury, acting through the U.S. Customs Service, is authorized to conduct followup investigations of border-related drug seizures by a Customs officer.

2. The Secretary of the Treasury is directed to notify the Attorney General of the commencement of any followup investigations by Customs and upon the request of the Attorney General, the Secretary shall provide details of each such investigation and coordinate the investigation with the Attorney General.

3. The authority of the Secretary of the Treasury under this act is not in addition to and not in derogation of the authority of the Secretary of the Treasury under any other laws.

4. The authority of the Secretary of the Treasury under this act is not, in any way, to be construed as a limitation upon any authority which the Attorney General or the Secretary of the Department in which the Coast Guard is operating, may have to conduct investigations under any law.

5. The authority under this provision expires 2 years from the date of enactment of this bill, unless specifically renewed by the Congress.

The Committee is fully aware of the significance of this important step in granting Customs limited authority to follow up its drug seizure cases and does not take this bold new initiative lightly. The inclusion of language in this bill is an indication, however, of the Committee's strong recommendation that the extensive investigative resources of the Customs Service join forces with DEA in bolstering the Government's ability to follow up drug seizures with investigations and prosecutions of drug smugglers. Furthermore, the Committee wants to make it clear that it expects the Customs Service to double its efforts to cooperate with the Drug Enforcement Administration and to keep DEA posted at all times on investigations it intends to pursue following a drug seizure and/or arrest. Finally, the Committee notes again that the limited authority provided in the bill is for a 2-year period and that the performance of the Service in conducting followup, border-related drug interdiction investigations will undergo the most intensive scrutiny by the Committee during fiscal year 1984 and beyond. The Commissioner of Customs is directed to make quarterly reports to the Committee regarding the status of all pending investigations conducted under the authority contained in the bill and will be expected to keep detailed records on all such investigations, including correspondence with DEA on such investigations.

SEC. 511. Language reduces consultant services by 10 percent in each account in this bill.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

The Committee has recommended the following changes to title VI from the House reported bill:

SEC. 617. The Committee has included a restriction on renovation and redecorating of Government offices.

SEC. 618. The Committee has included a provision pertaining to enhance Secret Service authority with regard to forgeries.

SEC. 619. The Committee has included a provision to allow Federal employee organizations the opportunity to provide health benefit programs.

SEC. 620. The Committee has included language in the bill that would direct the Administrator of GSA and Director of OMB to combine on studies of ways to reduce the cost of operating and maintaining the Federal motor vehicle fleet.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions, not heretofore carried in this exact form in connection with any appropriations bill, are recommended:

Compliance With Paragraph 7 of Rule XVI of the Standing Rules of the Senate

The Committee submits the following statement in compliance with paragraph 7 of rule XVI of the Standing Rules of the Senate, which requires the Committee to identify "each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The bill provides, in some instances, for funding of agencies and activities where legislation has not yet been finalized (International Affairs, Property Review Board, U.S. Customs Service, Federal Election Commission, and National Historical Publications and Records Commission). In addition, the bill carries language in some instances permitting activities not authorized by law or exempting agencies from certain provisions of law, but which has been carried as part of this appropriations bill for a number of years. The Committee has included appropriations for alterations and repairs for the Bureau of the Mint, GSA construction, and other activities.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1984: Subcommittee on Treasury, Postal Service	11,900	11,864	11,800	[1] 11,831
Projections of outlays associated with budget authority recommended in the bill:				
1984				[2] 11,392
1985				649
1986				41
1987				3
1988 and future year				([3])
Financial assistance to State and local governments for 1984 in the bill				

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[1] Includes outlays from prior-year budget authority and the Senate-passed fiscal year 1983 supplemental.

[2] Excludes outlays from prior-year budget authority.

[3] Less than $500,000.

NOTE.—The above estimates do not include the savings to be achieved through a reduction in consulting services included in this bill.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984

[Amounts in dollars]

Item (1)	1983 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −): 1983 Appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I - DEPARTMENT OF THE TREASURY							
Office of the Secretary	37,310,000	69,949,000	47,730,000	65,743,000	+28,433,000	-4,206,000	+18,013,000
International affairs	20,000,000	---	22,219,000	---	-20,000,000	---	-22,219,000
Federal Law Enforcement Training Center	12,500,000	14,481,000	14,481,000	14,481,000	+1,981,000	---	---
Bureau of Government Financial Operations:							
Salaries and expenses	248,000,000	242,995,000	242,995,000	239,995,000	-8,005,000	-3,000,000	-3,000,000
Bureau of Alcohol, Tobacco, and Firearms	145,000,000	157,122,000	160,216,000	157,260,000	+12,260,000	+138,000	-2,956,000
United States Customs Service:							
Salaries and expenses	557,450,000	574,999,000	651,152,000	584,943,000	+27,493,000	+9,944,000	-66,209,000
Air operations and maintenance	---	---	---	31,000,000	+31,000,000	+31,000,000	+31,000,000
Bureau of the Mint:							
Salaries and expenses	48,000,000	49,558,000	49,558,000	49,000,000	+1,000,000	-558,000	-558,000
Expansions and improvements	5,200,000	3,070,000	3,070,000	3,070,000	-2,130,000	---	---
Total, Bureau of the Mint	53,200,000	52,628,000	52,628,000	52,070,000	-1,130,000	-558,000	-558,000
Bureau of the Public Debt	201,000,000	205,605,000	205,605,000	196,427,000	-4,573,000	-9,178,000	-9,178,000
Internal Revenue Service:							
Salaries and expenses	170,510,000	---	102,312,000	99,800,000	-70,710,000	+99,800,000	-2,512,000
Processing tax returns	1,000,778,000	988,479,000	867,203,000	929,000,000	-71,778,000	-59,479,000	+61,797,000
Examinations and appeals	1,009,409,000	1,287,026,000	1,259,815,000	1,232,000,000	+222,591,000	-55,026,000	-27,815,000

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Investigations, collections and taxpayer service..	767,493,000	1,016,046,000	1,014,775,000	1,004,000,000	+236,507,000	-12,046,000	-10,775,000
Total, Internal Revenue Service..................	2,948,190,000	3,291,551,000	3,244,105,000	3,264,800,000	+316,610,000	-26,751,000	+20,695,000
Payment where energy credit exceeds liability for tax..	300,000	200,000	200,000	200,000	-100,000	---	---
United States Secret Service.........................	235,000,000	270,860,000	284,860,000	294,555,000	+59,555,000	+23,695,000	+9,695,000
Total, title I, new budget (obligational) authority, Department of the Treasury.........	4,457,950,000	4,880,390,000	4,926,191,000	4,901,474,000	+443,524,000	+21,084,000	-24,717,000
TITLE II - UNITED STATES POSTAL SERVICE							
Payment to the Postal Service Fund....................	789,000,000	400,000,000	879,000,000	802,000,000	+13,000,000	+402,000,000	-77,000,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT							
Compensation of the President.........................	250,000	250,000	250,000	250,000	---	---	---
Office of Administration..............................	12,904,000	14,900,000	14,900,000	14,295,000	+1,391,000	-605,000	-605,000
The White House Office................................	21,300,000	23,413,000	23,413,000	22,830,000	+1,530,000	-583,000	-583,000
Executive Residence at the White House................	3,800,000	4,550,000	4,550,000	4,550,000	+750,000	---	---
Official Residence of the Vice President..............	275,000	262,000	262,000	262,000	-13,000	---	---
Special Assistance to the President...................	1,475,000	1,593,000	1,593,000	1,593,000	+118,000	---	---
Council of Economic Advisers..........................	2,100,000	2,464,000	2,464,000	2,464,000	+364,000	---	---
Office of Policy Development..........................	2,600,000	2,861,000	2,861,000	2,861,000	+261,000	---	---
National Security Council.............................	4,265,000	4,497,000	4,497,000	4,497,000	+232,000	---	---
Office of Management and Budget:							
Salaries and expenses.................................	33,000,000	34,246,000	38,643,000	31,603,000	-1,397,000	-2,643,000	-7,040,000
Office of Information and Regulatory affairs.........	---	5,397,000	---	5,397,000	+5,397,000	---	+5,397,000
Total, Office of Management and Budget..........	33,000,000	39,643,000	38,643,000	37,000,000	+4,000,000	-2,643,000	-1,643,000
Office of Federal Procurement Policy..................	2,400,000	2,714,000	2,714,000	2,556,000	+156,000	-158,000	-158,000
Property Review Board.................................	445,000	415,000	---	415,000	-30,000	---	+415,000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item (1)	1983 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −): 1983 Appropriation (6)	Budget estimate (7)	House allowance (8)
Unanticipated Needs	1,000,000	1,000,000	1,000,000	1,000,000	---	---	---
Total, title III, new budget (obligational) authority, Executive Office of the President	85,814,000	98,562,000	97,147,000	94,573,000	+8,759,000	-3,989,000	-2,574,000
TITLE IV - INDEPENDENT AGENCIES							
Administrative Conference of the United States	1,100,000	1,406,000	1,406,000	1,100,000	---	-306,000	-306,000
Advisory Commission on Intergovernmental Relations	1,900,000	2,020,000	2,020,000	2,000,000	+100,000	-20,000	-20,000
Advisory Committee on Federal Pay	200,000	215,000	215,000	215,000	+15,000	---	---
Committee for Purchase from the Blind and Other Severely Handicapped	653,000	687,000	687,000	687,000	+34,000	---	---
Federal Election Commission	9,700,000	10,000,000	10,400,000	10,649,000	+949,000	+649,000	+249,000
General Services Administration:							
Federal Buildings Fund:							
Appropriation	125,000,000	---	1,500,000	---	-125,000,000	---	-1,500,000
Limitation on availability of revenue:							
Construction and acquisition of facilities	(71,415,000)	(132,510,000)	(132,510,000)	(90,710,000)	(+19,295,000)	(-41,800,000)	(-41,800,000)
Repairs and alterations	(203,032,000)	(74,662,000)	(74,662,000)	(74,662,000)	(-128,370,000)	---	---
Purchase contract payments	(159,971,000)	(145,500,000)	(145,500,000)	(145,500,000)	(-14,471,000)	---	---
Rental of space	(806,000,000)	(880,500,000)	(880,500,000)	(880,500,000)	(+74,500,000)	---	---
Real property operations	(626,346,000)	(686,500,000)	(686,500,000)	(656,500,000)	(+30,154,000)	(-30,000,000)	(-30,000,000)

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Program direction..........................	(91,607,000)	(103,471,000)	(103,471,000)	(100,000,000)	(+8,393,000)	(-3,471,000)	(-3,471,000)
Total, Federal Buildings Fund:							
New budget (obligational) authority...	125,000,000	---	1,500,000	---	-125,000,000	---	-1,500,000
(Limitations)..........................	(1,958,371,000)	(2,023,143,000)	(2,023,143,000)	(1,947,872,000)	(-10,499,000)	(-75,271,000)	(-75,271,000)
Operating expenses, personal property..............	---	155,139,000	155,139,000	153,939,000	+153,939,000	-1,200,000	-1,200,000
Federal Supply Service:							
Operating expenses..............................	121,142,000	---	---	---	-121,142,000	---	---
Transportation and Public Utilities Service:							
Operating expenses..............................	16,330,000	---	---	---	-16,330,000	---	---
National Archives and Records Service:							
Operating Expenses..............................	86,000,000	87,105,000	93,105,000	90,805,000	+4,805,000	+3,700,000	-2,300,000
Automated Data and Telecommunications Service:							
Operating Expenses..............................	27,663,000	---	---	---	-27,663,000	---	---
Federal Property Resources Activities:							
Operating expenses..............................	50,000,000	40,739,000	40,739,000	37,339,000	-12,661,000	-3,400,000	-3,400,000
National defense stockpile transaction fund...	---	120,000,000	---	---	---	-120,000,000	---
(Limitation on availability of revenue).......	(120,000,000)	---	(120,000,000)	(120,000,000)	---	(+120,000,000)	---
William Langer jewel bearing plant revolving fund....................................	396,000	---	---	---	-396,000	---	---
Total, Federal Property Resources Activities	50,396,000	160,739,000	40,739,000	37,339,000	-13,057,000	-123,400,000	-3,400,000
General Activities:							
General Management and Administration							
Salaries and Expenses........................	120,000,000	127,235,000	127,235,000	123,635,000	+3,635,000	-3,600,000	-3,600,000
Office of Information Resources Management							
Operating Expenses...........................	---	49,134,000	49,134,000	47,434,000	+47,434,000	-1,700,000	-1,700,000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[Amounts in dollars]

Item (1)	1983 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −): 1983 Appropriation (6)	Budget estimate (7)	House allowance (8)
Office of the Inspector General	18,500,000	19,513,000	19,513,000	19,513,000	+1,013,000	---	---
Allowances and Office Staff for Former Presidents	1,106,000	1,171,000	1,171,000	1,171,000	+65,000	---	---
Total, General Activities	139,606,000	197,053,000	197,053,000	191,753,000	+52,147,000	-5,300,000	-5,300,000
Total, General Services Administration	566,137,000	600,036,000	487,536,000	473,836,000	-92,301,000	-126,200,000	-13,700,000
Federal Personnel Activities							
Office of Personnel Management:							
Salaries and expenses:							
Appropriation	100,000,000	110,546,000	110,546,000	107,046,000	+7,046,000	-3,500,000	-3,500,000
Limitation	(44,652,000)	(48,572,000)	(48,572,000)	(48,572,000)	(+3,920,000)	---	---
Government payment for annuitants, employees health benefits	1,342,610,000	1,506,339,000	1,506,339,000	1,506,339,000	+163,729,000	---	---
Payment to civil service retirement and disability fund	3,598,838,000	3,908,490,000	3,908,490,000	3,908,490,000	+309,652,000	---	---
Total, Office of Personnel Management	5,041,448,000	5,525,375,000	5,525,375,000	5,521,875,000	+480,427,000	-3,500,000	-3,500,000
Merit Systems Protection Board:							
Salaries and expenses	18,760,000	19,622,000	19,622,000	19,622,000	+862,000	---	---

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Limitation	(700,000)	(700,000)	(700,000)	(1,200,000)	(+500,000)	(+500,000)	(+500,000)
Office of special counsel	4,000,000	4,419,000	4,419,000	4,359,000	+359,000	-60,000	-60,000
Total, Merit Systems Protection Board	22,760,000	24,041,000	24,041,000	23,981,000	+1,221,000	-60,000	-60,000
Federal Labor Relations Authority	15,500,000	16,695,000	16,695,000	16,695,000	+1,195,000	---	---
Total, federal personnel activities	5,079,708,000	5,566,111,000	5,566,111,000	5,562,551,000	+482,843,000	-3,560,000	-3,560,000
United States Tax Court: Salaries and Expenses	14,000,000	16,871,000	16,871,000	15,165,000	+1,165,000	-1,706,000	-1,706,000
Total, title IV, new budget (obligational) authority, independent agencies	5,673,398,000	6,197,346,000	6,085,246,000	6,066,203,000	+392,805,000	-131,143,000	-19,043,000
Grand total:							
New budget (obligational) authority	11,006,162,000	11,576,298,000	11,987,584,000	11,864,250,000	+858,088,000	+287,952,000	-123,334,000
(Limitations)	(2,123,723,000)	(2,072,415,000)	(2,192,415,000)	(2,117,644,000)	(-6,079,000)	(+45,229,000)	(-74,771,000)

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